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ABSTRACT

Covered in this report are the main events that occurred in the Alum Rock voucher project between July 1974 and January 1976. Measures considered to be functioning effectively at the beginning of this time span were the concepts of alternative education, open enrollment, programs that vary their capacity in response to parent demand within the limits of their physical facilities, income-outgo budgeting processes, and parent information. At the beginning of the third year one new school entered the project, raising the number of participating schools to 14. The other major development that occurred during the third year was a dramatic increase in the quantity and quality of parent information. Parents were provided with comparative evaluation results on the various minischools before they submitted their vouchers for the following year. The data collection, publication, and distribution of these reports represented the last step in the full implementation of the internal voucher program. Background information is given about a serious degeneration in the relationship between Alum Rock and the National Institute of Education (NIE) voucher office. From the district's perspective, these problems seemed to be partially a consequence of NIE's funding uncertainties, which in turn were caused by congressional delay in committing funds to the agency and partially a serious breakdown in communications between the NIE staff and Alum Rock regarding certain basic program decisions.

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FINAL REPORT
ON THIRD AND FOURTH YEAR OPERATIONS
OF THE
ALUM ROCK VOUCHER PROJECT

SUBMITTED TO THE NATIONAL INSTITUTE OF EDUCATION

BY THE

ALUM ROCK UNION SCHOOL DISTRICT
WILLIAM J. JEFFERDS, SUPERINTENDENT

Prepared by:

Sequoia Institute

Joel M. Levin, Project Director

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VOUCHER PROJECT - THIRD AND FOURTH YEAR REPORTS

FOREWARD

This report will cover the main events which occurred in the Voucher Project between July 1974 and January 1976. This report is submitted in compliance with the special conditions of NIE Grant No. 90051 which requires that Alum Rock will submit final reports at the end of each year of the project. Because of the planned phase-out of key members of the voucher staff, this report will cover the major events of the third year and the first half of the fourth year of the project as well.

Earlier reports on the implementation of the first and second year of the Alum Rock Voucher Project are available from the National Institute of Education.

I

OVERVIEW

In our report on the second year of the Voucher Project, we have reported on the attempt to initiate a number of new, uniquely voucher phenomena such as satelliting, incorporation of private schools, voucherization of certain central office services, etc., and the failure of these efforts in the sense that there was no inclination on the part of the district to institutionalize them. On the other hand, the concepts of alternative education, open enrollment, programs which vary their capacity in response to parent demand within the limits of their physical facilities, income-outgo budgeting processes, and parent information were functioning well and were being modified to meet the needs of the education of children in Alum Rock as perceived by the district personnel. Consequently, the third and fourth year of the project were years of consolidation and institutionalization of some of the reforms that had been initiated by the Voucher Project.

At the beginning of the third year one new school entered the project, the Lee Mathson Middle School, which raised the number of participating schools to fourteen. Mathson's entry into the project was an interesting development because many people perceived the school as being the district's least desirable middle school. Before the Voucher Project had come to Alum Rock some riots had occurred there, and this, combined with the poverty of the neighborhood in which the school was situated, had given the school a "bad reputation." Consequently, Mathson's entry into the project offered a good opportunity to see whether parents really would exercise their options in this situation, as well as an opportunity to see how the system would respond in the event that there was a significant drop in Mathson's enrollment because of the availability of voucher options. Significantly, Mathson did suffer a serious enrollment drop, but the district's sophistication in dealing with problems of fluctuating enrollment was sufficiently

developed that the change was absorbed with little disruption. Teachers were transferred to other schools, and budget cuts were made elsewhere in Mathson's budget. The school ended up in a deficit position but not nearly as serious a deficit as the drop in enrollment would have imposed if the adjustments had not been made.

The other major new voucher development which occurred during the third year was a dramatic increase in the quantity and quality of parent information. Throughout the year publications were developed and distributed to all voucher parents informing them about such diverse topics as the role and personality of the parent counselors, the role of EVAC, the nature of parent involvement in the district and the various schools, as well as a monthly newsletter, The OPTION, which was distributed by the Voucher Office. The most fundamental breakthrough, however, was the achievement of the long-sought goal of providing parents with comparative evaluation results on the various mini-schools before they submitted their vouchers for the following year. These mini-school evaluation reports were readily understandable in format and crammed with comparative information on cognitive growth, affective measures, budget expenditure patterns, and other factual information about the various mini-schools. It is very likely that the distribution of these evaluation reports to parents in Alum Rock represented a quantum jump in the level of information and commitment to public accountability that any school district in the country had ever made to its community. The data collection, publication, and timely distribution of these reports represented the last step in the full implementation of the internal voucher program.

Coincident with these developments, however, was the recognition that NIE had committed itself to fund the project for only five years, and that plans for phasing out the Federal involvement had to be drawn up. This planning process had to consider the educational merits of various aspects of the voucher program as well as the financial impact on the district of continuing to maintain the same level of services with district funds while losing 2.5 million dollars of federal funding per year. In general there was a consensus that the district would never go back to where it had been originally, especially with regard to alternative education. However, the decisions about voucher phase-out were seriously affected by new developments in the formula for funding schools in the State of California, because the district was facing a financial squeeze of unprecedented proportions. The new law for providing State funds to schools in California, SB-90, established a "revenue limit" on the income per child which any school district could receive for its foundation program from a combination of state and local revenues. Authorization to exceed this revenue limit per child could only be obtained by having the voters in the district approve a revenue limit increase in a special election. Furthermore, SB-90 specified an inflation allowance of approximately 6% per year on this revenue limit per pupil, and in an economy with an inflation

rate of 12% this placed severe limits on the district's ability to survive financially. To make matters worse, the district, along with all other districts in the area, was suffering from decreasing enrollment, and this situation imposed yet additional budget and personnel stresses. Against this background the district's priorities had to be financial survival, and this situation had a major impact on the process of making decisions about the future of vouchers in Alum Rock. Those aspects of the Voucher Project which could be implemented at no additional cost were considered simply on their merit; those aspects of the project which required additional funds, however, were rejected because of the district's financial plight. To illustrate the severity of the problem, the district's teachers received an annual salary increase of only 1.1%, plus a reduction of three working days in their contract year (which reduced their planning time), plus a modest increase in the cost of fringe benefits. This resulted in a total increase of only 4% at a time of drastic inflation in the area. However, there was no other choice if the district was to avoid bankruptcy.

One feature of the Voucher Project which the district vigorously pursued was the concept of trying to voucherize all of the district's compensatory funds, including Title I, SB-90 compensatory funds, and all other State and Federal compensatory sources. A great deal of time was spent exploring this problem by the district's administrators, advisory committees, and faculties. The complications were enormous, but there seemed to be a broad consensus that this would be a preferable procedure for allocating compensatory funds.

One other unfortunate development during the third year was a serious degeneration in the relationship between Alum Rock and the NIE Voucher Office. From the district's perspective, these problems seemed to be partially a consequence of NIE's funding uncertainties which in turn were caused by Congress' delay in committing funds to the agency and partially a serious breakdown in communications between the NIE staff and Alum Rock regarding certain basic program decisions. From the district's standpoint commitments to NIE had to be met, and this implied making contractual commitments to personnel. However, funds to implement these agreements, although promised, were not finally authorized until January, 1975, and when the funds were finally granted the total amount for the fiscal year was reduced by \$80,000 because of a disagreement on some of the terms of the previous year's negotiations; this disagreement was unilaterally decided in NIE's favor by NIE. This pattern became even worse as the project entered its fourth year. Several disagreements about program commitments arose because of communications problems; NIE unilaterally resolved those disagreements by issuing a fiat that NIE funds would be withheld until the district agreed to meet the new terms imposed by NIE. Given the district's contractual commitments based on the assumption that previous agreements would be honored, the district would have been forced into bankruptcy if it did not agree to comply with NIE's requirements. However, the credibility of NIE in the

district's eyes was irreversibly damaged by this high-handed, arrogant assertion of power in disregard of previous agreements. The anger and resentment generated in the district's decision-makers towards NIE by this behavior had serious impact on the decisions about the future of vouchers in the district.

In summary, the third year was characterized by the implementation of the remaining outstanding facets of the voucher program combined with the consolidation and institutionalization of the majority of the key elements in the program. Simultaneously, the district began to consider the long range problems of financial and programatic phase-out of the Federal project while the relationships between NIE and the district degenerated rapidly.

AFFECTIVE CLIMATE OF THE DISTRICT

In previous reports we have discussed the high level of intensity of feeling throughout the voucher schools and the tense confrontations which occurred both at the district office level and within the schools with regard to issues of power, decentralization, role, and style. During the third year the level of intensity was much reduced. Most of the essential conflicts had been resolved, for better or for worse, and now the task of implementation was of primary concern. There was a general feeling that the time involved in participatory decision-making at all levels was in conflict with the time needed to perform necessary educational tasks. Consequently, the roles which had emerged for the various participants in the project throughout the first two years were accepted as being workable and the conflict level was consequently reduced.

The format of the Administrative Staff meetings provided a striking example of this phenomenon. The Administrative Staff was composed of twenty-five principals and their vice-principals, the Superintendent's Staff and the Central Office Coordinators. This group of fifty people met weekly throughout the third year to discuss administrative concerns of a district-wide nature. Throughout the first two years of the project a style had been developed which allowed leadership to move throughout the group. A set of communication norms had been developed and formally adopted by the group, and these included open communication, legitimacy of sharing feelings as well as factual observations, and a commitment to respect the feelings of each member of the group. These meetings typically lasted for three or four hours, and the frustration level of the participants was very high. Heroic efforts were made to deal with issues openly in this large group, but there were just too many people to permit everyone to express his feelings on every subject. Historically, the principals had been frustrated because decisions were made without their input; under the new arrangement this problem evaporated because every administrator in the district had the opportunity to participate in making recommendations on every major administrative decision within the district. However, while this new process did alleviate the frustration of not participating in major district decisions, it created a new kind of frustration because of the tedium and time-consuming nature of the new mode. Participation in these meetings, and the additional subcommittee meetings which were held at other times during the week, resulted in rising pressure from the schools to have principals spend less time at the central office so that they would be more available to the students and teachers during the day.

In the spring of the third year of the project, the Administrative Staff established a new committee to make recommendations to the larger group on alternative models for accomplishing the group's business. The subcommittee recommended that the process of making administrative recommendations to the Superintendent should be modified so that recommendations did not require action by the Administrative Staff as a whole. Instead it was recommended that

teams be set up to deal with various classes of issues, such as budget, personnel, evaluation, curriculum, etc., and that each of these committees should be trusted by the group as a whole to make recommendations directly to the Superintendent for his action. The format of the meetings of the Administrative Staff as a whole would be drastically modified to consist of two parts. First the Superintendent would respond to recommendations which had been made to him by the various teams and report the final decisions which he had made with regard to each of the team's previous recommendations. The second part of the meeting would be devoted to raising new issues which had to be addressed and having the Superintendent refer each of these issues to the appropriate Administrative Staff team. Under this model, the Administrative Staff as a whole never dealt with any issues. Topics were discussed and recommendations generated by the various administrative teams, each of which consisted of approximately ten to fifteen members. In order to assure that all members of Administrative Staff would at least have the opportunity to make their views heard on any issue, an informal system of communication was established in the form of a half-hour break after the main Administrative Staff meeting, during which time individuals were encouraged to make their views known on various pending topics to the team members who were considering those topics. This system placed a high level of responsibility on each administrator to take the initiative of expressing his views on issues which he felt were important.

This system was implemented, reluctantly, at the end of the third year and during the fourth year. During that time it became clear that the informal communication channels were not being used, and that many administrators had no chance to give their input into decisions until the Superintendent announced his final decision in response to a team's recommendation. Consequently, the procedures were modified so that each team circulated its recommendations to all members of Administrative Staff before submitting them to the Superintendent. This gave the opportunity to each administrator to review the pending recommendations and respond to the members of the particular team if he or she felt that their recommendation had to be modified. The final decision on what recommendations should go to the Superintendent still rested with the team, but a more formal channel for everyone to register his or her opinion was provided by this mechanism. Simultaneously, the Administrative Staff meetings were moved to the afternoon so that principals were not attending these meetings while school was in session. In general, this new process required much less of the principal's time to be spent on district-wide decision making, and this fact reduced the frustration level considerably. There was a general feeling that more was being accomplished in less time than under the previous system. However, many of the administrators felt a sense of loss that the ideal of allowing all administrators to make input directly into all decisions had proved to be beyond the communication skills of the group.

Another area in which the retrenchment process could be seen was in the changed recommendations regarding utilization of the voucher

income-outgo budgeting procedure throughout the district. During the first two years of the project the voucher amount that was allocated to each school included funds to pay the salaries of principals, teachers, secretaries, and custodians. Gradually it had become clear that although the amount of voucher income allotted to each school was large, most of it was not really discretionary. The salary accounts comprised the bulk of each school's basic voucher income, and the expenditures which had to be covered were rather inflexible because of the limits on the variability of class size and the necessity, described in previous reports, of charging each school an average salary for each teacher and administrator rather than that person's actual salary. Although some discretion was available to schools which chose to increase class size, this option would have created serious problems if it had been widely exercised because it would have created a surplus of teachers to whom the district had contractual obligations; since the funds to pay these surplus teachers would already have been allocated to the schools through the basic voucher income that each school received, widespread exercise of the option to increase class size would have created serious financial problems for the district. As the district's budget problems mounted, and the issue of financial survival became paramount, the principals recommended that all salary accounts should be centralized, and that only funds which were truly discretionary should be allocated to schools on a per pupil basis. It must be emphasized that this recommendation was not made because the principals did not want to maximize their discretionary funds, but rather because they felt that they did not have any real control over the bulk of their discretionary funds. Such a recommendation would have been unthinkable on the part of the principals during the first year of the project.

Among the teachers, a similar retrenchment was occurring. No major new educational alternatives were proposed during the third year of the project by the voucher schools. Teachers were addressing their energies to improving and consolidating the programs which they had previously initiated. Similarly, in the area of participatory management, many teachers were beginning to feel that they wanted the principals to take over many of the areas of decision making which they had acquired during the first two years of the project on the grounds that making these decisions was time consuming and consequently interfered with their planning and teaching activities.

Another factor which impacted the decision-making climate of the district was the declining test scores of Alum Rock's pupils. Analysis showed that the reading growth of pupils in the voucher and non-voucher schools was very similar, but nevertheless a small group of parents began to exert pressure on the district to take centralized measures to improve the student's test scores. The group of parents was called the United Front, and they criticized the Board of Trustees for not mandating a curriculum that would assure more rapid growth in the acquisition of basic skills to the district's students. Although this group was very small, their

concern for test scores struck a responsive chord among many of the district's Board members and administrators. The combination of increased concern about teaching children basic skills and the impending budget crunch which was going to force the district to set its spending priorities very carefully, created a climate which was not supportive of decentralization and alternative education.

Late in the spring of the third year of the project the Superintendent announced that he would be taking a leave of absence during the coming year to attend the Army War College in Carlisle, Pennsylvania, in conjunction with his activities in the Reserve. The Deputy Superintendent, an exceedingly competent and strong administrator, was appointed to be Superintendent during this period.

A. PARENT INFORMATION

When the Alum Rock Voucher Project was designed, the task of gathering information about the schools was assigned to the Evaluation Department while the function of disseminating this information to parents was given to the Parent Counseling Unit. During the second year of the project a consensus began to develop among the members of the voucher staff that parents in the project were not receiving enough information and this lack of information was interfering with the project's implementation. During the same period, EVAC had also begun to press for more parent information. While this pressure developed, the Evaluation Department had grown and acquired several staff members with an interest and competence in producing attractive, readable publications for parents.

Consequently, in the summer of 1974 the Evaluation Department proposed that a parent education program should be initiated in the voucher attendance area. Their plan was to develop brochures explaining such topics as parent involvement, school budgeting, alternative forms of education, etc. These booklets were to be distributed to all parents, and the parent counselors were to conduct meetings with parents to elaborate on the contents of the brochures. The parent counselors resisted this proposal because it would have moved the leadership of parent information activities away from them and into the Evaluation Department. The modified plan which finally emerged assigned the task of developing and printing written materials to the Evaluation Department and the Office of Information Dissemination. The function of developing and providing a parent education program was assigned to the parent counselors.

The Information Dissemination Office worked closely with EVAC's Information Subcommittee. Its first publication was a brochure, with graphics depicting an educational supermarker, which briefly described the voucher project. A second brochure was developed describing EVAC, its role, its meeting times, and how to get items on its agenda. Finally, a monthly voucher newsletter, The Option, describing news, events, and educational activities in the voucher program, was distributed to all parents in the project.

The Evaluation Department developed and distributed the following publications:

1. Parent Counselor Newspaper

A Parent Counselor newspaper was published which introduced the Parent Counselors, explained the services they provided and publicized their location and phone number. Photographs and biographies of all counselors were included, and graphics, photographs and copy depicted their functions.

2. "Your Children, Your Schools (Sus Niños, Sus Escuelas)"

A parent involvement booklet was also written to acquaint parents with the various school committees that existed in the Voucher community. Assuming once again that parents would be more likely to look at something with an attractive format, photographs and graphics were used extensively. In twenty-four pages the booklet described the following committees:

Mini-School Advisory Committees,
Advisory Boards for Community and School,
Screening Committees,
Educational Voucher Advisory Committee, and
The School Board

An insert presented specific information about meeting places, dates and times. Information on the insert was presented separately so that the booklet would not become outdated from one school year to the next. Since the drawings in other voucher publications had depicted Anglo children, this booklet also included many photographs of minority children and parents. Some parents complained to the Department that not enough white children had been included.

3. "Voucher Information for Your Family" Packet

In May, the Parent Counselors delivered more than 7,000 Voucher Information packets to parents. These were intended to facilitate the selection of mini-schools for the coming school year. Delivery began one day behind schedule due to an unexpected breakdown of the printing press. Each packet contained four pamphlets that had been designed and produced by the Evaluation Department and edited in meetings with the Project Director. These packets included:

"Mini-School Evaluations 1974-75: Report to Families",
"Voucher Choices: A Family Directory of Mini-Schools",
"How to Choose a Mini-School: A Guidebook for Families", and
"How to Make a School Visit: A Tourbook for Families".

A copy of these publications will be furnished upon request as long as the supply lasts.

These four publications were designed to provide parents with a coherent compilation of information necessary to make an intelligent selection of mini-schools. "How to Choose a Mini-School" provided a step by step procedure parents might follow in making their voucher selection. "How to Make a School Visit" elaborated on one particular step recommended in "How to Choose". The "Evaluation" booklet presented cognitive, affective, organizational, and budgeting results on the performance of each mini-school during the 1974-75 school year. "Voucher Choices" described the educational program

of each mini-school. Together the four publications presented a coherent body of information for parental use in making Voucher choices. The underlying assumption behind these publications was that Voucher parents needed both good evaluative information and an appreciation of how to interpret and apply the information they received. "Mini-School Evaluation" and "Voucher Choices" presented information presented in the other two booklets.

The "Evaluations" booklet was divided into four basic sections, each of which presented a distinct type of information on every mini-school in the Voucher Project. The first was a list of Voucher Schools, the mini-schools at each building site, and information on the size and staffing patterns at each mini-school. A second section presented the results of a survey of student opinion indicating student perceptions along four discrete scales: Friendship, Involvement, Teacher Control, and Teacher Support. Student responses were indicated by bar-graphs, and separate sets of responses were presented for each mini-school. The third section presented achievement scores in terms of the percentage of students at each mini-school who learned "more than expected", "less than expected", and "as much as expected", as indicated by their scores on the Metropolitan Achievement Test. Expected growth was defined as scoring above the same percentage of students in the national norm group on both the pre and post tests. The last major section presented the percentage of each mini-school's income that was budgeted for administration, teachers, aides, secretaries, instructional supplies, field trips, staff training, health, and miscellaneous items. Additional pages defined terms and procedures.

The "Voucher Choices", like the "Evaluations" booklet, was designed to enable parents to compare mini-schools. Each page was devoted to a separate mini-school and was divided into three sections - a rectangle, a circle, and a free space for students' drawings or quotations. Within the rectangle was a standardized inventory describing the mini-school. In addition to governance, class size, evaluation and communication methods, the inventory presented information concerning the methods, structure, homework practices, multi-cultural activities, child/adult ratio, and academic levels (graded and ungraded) of each mini-school. Since the same inventory was applied to all programs, parents could make comparative assessments of various mini-schools. The circle on each "Voucher Choices" page was filled in by Mini-School Coordinators with words, drawings or whatever they chose to describe their programs. Coordinators were encouraged to indicate their philosophical and educational commitments and to make statements that captured the flavor of their particular mini-school. Coordinators also submitted samples of student writing and art work which were included on the page where space permitted. "Voucher Choices" was the first collection of truly standardized information about mini-schools within a single cover. The

Evaluation Department had long wished to investigate whether actual differences existed between mini-schools, and this booklet provided specific and uniform data about each program, documenting each mini-school's perceptions of its form and function.

This barrage of attractive, readable publications was personally delivered to the home of every voucher family with the objective of increasing the community's knowledge and awareness of both voucher and other school related issues; it represented a major departure in the school district's efforts to communicate with its constituency. In contrast to efforts made in the first two years, there was little or no opposition to this campaign. Principals, teachers, and parents cooperated in planning, approving, and providing information for these publications. However, in spite of these efforts, there were no indications that this information was either widely read or used by a significant portion of the community.

B. EVALUATION

By the third year of the project the Evaluation Department had grown from its original size (one Coordinator funded by the Voucher grant) to a sizeable staff funded partially by voucher funds and partially by the District's compensatory funds. This rapid growth occurred primarily because of the effectiveness and competence with which the department carried out its tasks. In addition, the Superintendent and Deputy Superintendent were concerned about the multiplicity of programs that the district was operating, and they felt the need for some rigorous evaluation of these programs to help the district set priorities in anticipation of the anticipated budget problems. In the fall of 1974, the Superintendent requested the Evaluation Department to perform a major analysis of the effectiveness of various educational programs within the district. The department responded by developing a lengthy questionnaire to determine the various techniques and methods used by teachers throughout the district and then correlated these variables with cognitive growth as measured by the Metropolitan Achievement Test. The report was developed in a very short time, and the results, although preliminary and tentative, were helpful to the district's administrators in their efforts to establish priorities.

The effectiveness of the Evaluation Department was a consequence of the increasing skill of the members of the department in dealing with the sensitivities of the district's professional staff and the direct interest of the Deputy Superintendent in developing a strong Evaluation Department. He felt that a professional evaluation department should be as insulated as possible from the politics of the district; consequently, the majority of directives which were sent to the schools requiring various evaluation tasks to be performed were signed jointly by the Deputy Superintendent and the Coordinator of Evaluation. Since these directives arrived at the schools over the signature of the Deputy Superintendent,

they were not challenged. This close relationship with the Deputy Superintendent was a significant factor in increasing the effectiveness of the department.

The manifest competence of the members of the evaluation staff combined with their increasing sensitivity to the needs of the schools resulted in widening acceptance of the value and importance of their work by most members of the Administrative Staff. In fact, when discussions of voucher phase-out were being held between central staff and principals, the principals strongly recommended that some of the reduced NIE funds should be utilized to maintain the services of the Coordinator of Evaluation because his services to the district were so valuable. Given the hostility and mistrust which had existed between the principals and the Evaluation Coordinator during the first and second years of the project, this turnabout was an extraordinary tribute to the effectiveness of the evaluation group. From an institutional standpoint this development was also significant because the creation of an evaluation office with voucher funding eventually led to the existence of an Evaluation Department in the district which, in all probability, would continue to function after the voucher project had been completed.

One of the additional tasks which was assigned to the Evaluation Department during the third year was the implementation of standardized testing on a pre and post test basis for all children in the Alum Rock School District.

During the 1972-73 school year, the department of Special Services had administered standardized tests in non-voucher schools while RAND had tested all voucher students. The following year RAND again tested voucher students while the Evaluation Department assumed responsibility for testing non-voucher students. However, RAND's role in standardized testing had created both distribution and research problems in the Evaluation Department which have been described in our earlier reports. Basically, RAND's interest was to post-test as late as possible in order to maximize the time between pre and post tests, while the Evaluation Department's interest was to post-test as early as possible in order to meet its deadlines for preparing the evaluation booklet for parents. Furthermore, the actual administration of testing was not standardized. Teachers administered tests at irregular times and used irregular procedures. In order to insure both standardized data and an early completion date, the Evaluation Department applied to NIE for the responsibility of testing both voucher and non-voucher schools. The Department offered the service at a lower cost than RAND, and the request was granted.

In designing plans for the 1974 fall testing program, special techniques were developed to improve the reliability and validity of the data. Standardization occurred in the uniformity of the test level given to each grade, the uniformity

of subtests given at each level, and the uniformity of the time period (one day in each school) within which testing was completed. Standardization was also accomplished by using substitute teachers as test administrators in an attempt to preclude prejudicial testing procedures on the part of teachers. These outside test administrators were trained in workshops. A comprehensive manual was designed as a reference source that delineated daily procedures in great detail. The manual also included directions for each test level and appendices containing examples of forms that the test administrators would be expected to fill out, a district map, and floor plans of each school. Finally, a consultant from the Stanford Research Institute was contracted to report on the quality and uniformity of testing procedures and to submit recommendations.

The consultant's overall findings were favorable and he recommended no significant revisions of procedure. Consequently, the spring testing program was largely a carbon copy of the fall program with two significant additions. First, the test administrators delivered to teachers a special RAND Teacher Survey and asked them to complete the survey by the close of the morning's testing. The survey met with minimal teacher resistance. Secondly, the fourth through eighth grade students were given a student attitude measure jointly designed by RAND and the Evaluation Department known as the Classroom Environmental Scale (C.E.S.). This instrument generated considerable controversy.

Modeled after the work of Professor Rudolph Moos, an internationally prominent psychiatrist and sociologist of Stanford University, the C.E.S. was carefully designed by a representative of RAND and a representative of the Evaluation Department. After being field tested and further revised, a final form was agreed upon and included in a revised manual for the spring testing program. After the manual had already gone to press, a RAND staff member in Santa Monica, who had not previously been involved with the instrument, deleted one scale from it and added several items pertaining to the remaining scales. He also added some items not related to any scale which asked personal questions concerning the students' home life.

These unclear revisions emanating from RAND's Santa Monica Office caused serious problems for the Evaluation staff. They had to revise all copies of the manual - no easy task given that the manuals had already been distributed to the test administrators. Moreover, the Evaluation staff was not convinced that the revised C.E.S. in any way improved on the work of Professor Moos and the effort to tailor Moos's work to the needs of the Alum Rock community. Furthermore, the additional items concerning homelife of students generated considerable negative reaction from both teachers and parents. Certain teachers absolutely refused to allow the C.E.S. to be administered, and many parents went to principals to complain about

the instrument. As a result the Evaluation Department instructed the test administrators to remove the final page from the revised version of the C.E.S. This experience contributed to the growing sentiment on the part of the Evaluation staff that cooperation with RAND's Santa Monica office was ill advised.

The spring testing program concluded with the administration of two instruments on separate days some two weeks after achievement testing had been completed. An off-the-shelf self-concept test titled the Children's Self Social Construct Test (CSCT) was delivered to the schools and administered by the teachers. The Evaluation staff administered the annual RAND Teacher Survey (to be distinguished from the RAND survey that was administered to teachers on achievement testing day). At some schools there was a marked resistance on the part of the teachers to this survey. Again the principal concern was over the confidentiality of the responses. Teacher reaction was sufficiently strong to prompt a RAND evaluator to hold an inservice for the Evaluation staff on the best method for presenting the survey to the teachers. Subsequently there was little trouble in administering the survey.

As the project entered its fourth year, two major changes were instituted in an effort to create an ongoing evaluation component which could continue to serve the District after voucher funding and personnel had phased out. First, Sequoia Institute's Coordinator of Evaluation, who had started and built the department, reduced his time commitment from that of full-time Coordinator to that of Consultant for seventy days during the school year. This change was possibly because the Department had been developed and trained to have an identity and structure of its own which made it no longer necessary for the original Coordinator to directly administer its activities. His technical expertise and advice were available on a consulting basis, but the day to day operations and implementation of the various evaluation tasks were taken over by the members of the Department themselves. The second major change was a significant reduction in voucher funding support for the Evaluation Department. This change forced reductions in the staffing of the department and also moved the department's focus away from voucher issues and towards more district-wide issues.

C. PARENT COUNSELORS

During the third year of the project the Parent Counseling Unit emerged with a new identity as a consequence of the efforts of the Coordinator of Parent Counseling to establish a parent education program. A program of intensive inservice was provided to the parent counselors to upgrade their knowledge of group processes, communications, and general sense of professionalism. Administrative procedures were implemented

to increase the parent counselors' accountability for their time, and these controls created tensions between the parent counselors and their Coordinator. Nevertheless, parent education was initiated, and parent education courses were conducted at most of the voucher schools.

In determining the content matter of these courses, a questionnaire was developed for interested parents to indicate which topics they would like to deal with. In all schools, the overwhelming response was that parents were interested in learning more about dealing with their own children. Consequently the parent counselors focused on this area. A professor from San Jose State University, Dr. Miguel Arciniega, had developed a structure in which para-professionals were trained to conduct workshops with parents to examine their interaction with children and analyze the causes of some of their problems. Parent behaviors which tended to reinforce these undesirable patterns were identified, and modified behavior patterns were suggested to try to rectify the problems. These parent education courses were attended by approximately 200 voucher parents, and the reception was very positive. Several schools formally requested that the courses be continued during the fourth year. One group of mono-lingual Spanish-speaking parents became so enthusiastic that they continued to meet during the summer recess.

Another initiative taken by the parent counselors was establishment of VIP (Very Important Parent) tours which were designed to help parents to visit schools, observe programs, see the District Office and meet key personnel, etc. These tours were effective with the parents who participated, and the central office staff was very supportive of the initiative. However, limitations of time and money led to the termination of this project because other priorities such as registering pupils, running parent education courses, and briefing new parents took precedence over the VIP tours. A detailed weekly schedule of the parent counselors' activities is attached to this report as Appendix F.

As the spring approached and the voucher cycle was scheduled to begin again, the parent counselors found themselves well prepared to carry out their tasks. They had been seasoned by several years of experience, and the placement rules had been modified and refined so that many problems had been eliminated. The kinds of information which they needed from the Data Processing Department were well understood, and these reports were requested sufficiently far in advance so that no serious time squeezes occurred.

One procedure which had been developed should be pointed out because it is revealing of some of the problems which the parent counselors faced. During the first year of the project many parents claimed that they had not received their voucher applications, and therefore they claimed that they had not been given a fair chance to register their choices early. In order to

clearly identify when this really occurred in contrast to when a parent was claiming that it occurred in order to get around the rules, the parent counselors initiated a procedure of delivering the packets to each home personally and requiring the receiving adult to sign a document indicating that he or she had received a packet. When complaints occurred in the fall that parents had not received their packets, parent counselors could quickly refer to their records and present documented proof that the packets had indeed been delivered and that the responsibility for not having submitted the vouchers in time rested with the parents.

Although the parent counselors were expanding their role and performing their tasks more effectively, there was an ongoing morale problem in the group which was never resolved. They had difficulty accepting their leadership. They persistently felt, whether justly or unjustly, that they were not sufficiently respected, and that their role in the demonstration was not appreciated by the Project Director, the Superintendent, or NIE. The school secretaries continued to resent the fact that the parent counselors earned comparable salaries to theirs, and the school principals, in general, were not supportive. As part of the system the parent counselors could not assume the role of parent advocates without provoking a serious political upheaval. Consequently they did not develop a constituency. On the other hand their access to the community gave them potential power base which continually made the principals of the schools uneasy. Consequently, it appears that in the role which emerged in Alum Rock the parent counselors were not appreciated or recognized by either the parents or the schools. Since they had moved their office from the central office to one of the schools in order to be closer to the community, they also felt isolated from the Project Director and the Superintendent, and consequently their morale was very low throughout the project.

As the third year came to an end and issues of voucher phase-out were being discussed throughout the district, it became apparent that the parent counselors would not be supported by the district from district funds after the termination of NIE funding. To the parent counselors this reinforced their feelings of not being appreciated, and also caused further morale problems because of the impending loss of employment. In the fall of the fourth year of the project the Coordinator of Parent Counseling resigned to take a job in another school district, and with her departure the spirit and organization of the parent counselors sank rapidly. The District Administrator who was appointed to take over the role of coordinating the Parent Counselors is in the process of implementing plans to try to revitalize the group.

D. INFORMATION DISSEMINATION

At the end of the second year of the project the Coordinator of Information Dissemination had proposed an ambitious program of

providing information on the voucher project to various publics both within and outside of the district. On the basis of his approved budget, the Project Director approved these plans, and the Coordinator proceeded to implement them. However, as we will describe in Section III-H of this report, a series of misunderstandings about the voucher budget emerged during the year between the district and NIE, and these resulted in a budget cut of \$80,000 which was imposed in the middle of the year. This cut forced a drastic reduction in the program of public information dissemination, and a consequent dissipation of the staff of the department. In the spring of the year the Coordinator of Information Dissemination resigned, and in anticipation of the phase-out of federal funds he was not replaced. His duties were assumed directly by the Project Director, and the level of these services and initiatives was much reduced.

E. EVAC (Educational Voucher Advisory Committee)

During the third year of the project EVAC emerged as a strong force in shaping the Voucher Project. During the first two years EVAC had struggled to develop and define its role in the face of strong opposition from many of the principals and a lack of interest and support from the bulk of the teachers and parents in the project. However, during the second year EVAC's role began to take a clear shape as a result of some strong internal leadership coupled with several effective inservice sessions, and as the third year began the group had established a committee structure and was conducting business effectively. Furthermore, the Board of Trustees had established a consistent record of supporting EVAC recommendations, and this in turn gave EVAC members a sense that they were doing something worthwhile.

In the fall of the third year EVAC was called upon to make a recommendation to the Board with regard to a conflict which had arisen within the voucher project. In the interests of reasonable planning, the Administrative Staff had developed a set of procedures which allowed each voucher school and mini-school to determine the range of grades which they would offer, but once this determination was made in the spring, the decision could not be changed until the following year. This administrative procedure was challenged by a group of parents at Hubbard School. The problem arose because Hubbard's enrollment was down, and consequently a teacher had to be transferred out of Hubbard to another school which was understaffed. The teacher who volunteered to leave was a popular fixture at Hubbard, and when the community learned that he was about to go to another school they protested vigorously to the principal. In the spring Hubbard School had stated that it would accept children in grades K-5, allowing its sixth graders to attend one of the voucher middle schools. The incensed parents seized upon this decision as a way of avoiding the inevitable loss of their teacher, and the school proposed to increase its range of grades to include sixth

graders. Making such a change was a clear violation of the agreements of the previous spring. However, not to make an exception was to force the teacher to leave and consequently create serious dissatisfaction among the parents in the community. When the principal proposed to make this change he was turned down flatly by the other principals and district administrators.

However, the community refused to accept this decision and brought their concern to EVAC. After extensive discussion and soul searching, EVAC approved a recommendation to the Board that Hubbard be permitted to add a sixth grade. The Board accepted this recommendation, and the community members at Hubbard were satisfied. Regardless of whether EVAC's decision in this matter was right or wrong, the incident was very important because it represented the first time that EVAC had made a recommendation which was in direct contradiction to the recommendations of the Administrative Staff, and the Board had supported EVAC. The message was clear; EVAC was a force to be reckoned with.

During the year EVAC also took some strong stands on several other voucher issues. They recommended to the Board that satellites be eliminated. They recommended that the Board refuse to grant permission to any mini-school to fix its size in advance of enrollment regardless of the special circumstances surrounding their request (such as the need for special facilities in a mini-school emphasizing science). When some of the voucher schools were discussing the possibility of dropping from the project, EVAC recommended a set of procedures to the Board which required both the staff and the community in a given school to express their preference through a voting process, with the final decision being left to the principal. In most of these recommendations, the Superintendent supported EVAC and the Board accepted EVAC's recommendations, although sometimes with slight modifications. In short, EVAC really functioned like an advisory committee to the Board, making recommendations to help the Board make decisions on voucher related matters.

In the fourth year of the project a new EVAC was elected, and a successful inservice was conducted for them. They then addressed themselves to the task of gathering input from the teachers and parents in the school community on their opinions about various aspects of the voucher program in order to develop a set of recommendations to the Board about which aspects of the voucher structure should be incorporated into the district on a permanent basis. A brief survey was developed and distributed, through the students, to all parents in both voucher and non-voucher schools. The surveys were collected, the results tabulated, and on the basis of this input EVAC developed a set of recommendations to the Board. The parent questionnaire, the tabulation of the results of this questionnaire, and EVAC's recommendation to the Board are included as Appendix A of this report.

In general, EVAC urged the Board to maintain the concept of institutionalized alternative education, but they recommended that the alternatives should be a variety of means to reach a set of common goals with regard to the acquisition of basic skills. EVAC recommended that alternatives be provided within each school, and that the main thrust of parent choice should be in the direction of choosing among the alternatives available in the neighborhood schools. However, they urged the Board to also allow intra-district transfers, and to provide free transportation for those children who opted to attend a non-neighborhood school. EVAC's recommendations were well received by the Superintendent and the Board. However, at the date of this writing, no final decision has been made by the Board on the disposition of these recommendations.

The essential thrust of this discussion, however, is not to try to evaluate the quality of EVAC's decisions; rather it is to emphasize the increased importance of EVAC's role in making voucher policy decisions. This was a role which had been foreseen for EVAC in the original Alum Rock proposal, and during the third and fourth year EVAC fulfilled its role very effectively. On the down-side it must be acknowledged that teachers attended EVAC meetings somewhat more regularly than parents, and consequently they were usually the majority. However, a pattern developed where teachers on EVAC consistently made a concerted effort to listen to the point of view of parents and to incorporate the parent perspective into their own voting pattern. Another criticism of EVAC was that its ethnic balance never even approximated the ethnic balance of the voucher community. The majority of EVAC's members were Anglos while the majority of pupils in the project were Mexican-Americans. Since each school chose its own EVAC representatives, there was no way to even attempt to achieve a better ethnic balance of EVAC members. In spite of this problem EVAC showed a consistent sensitivity to the needs of bilingual parents, and all publications of EVAC and the Voucher Office, including EVAC's minutes, were issued bilingually.

F. SYSTEMS DEVELOPMENT

By the end of the second year of the project two essential technical systems that were necessary to make a voucher system work were operational. First a detailed computerized system for issuing vouchers to children and placing them in the mini-schools of their choice had been developed. Basically, this system consisted of printing personalized vouchers for each child in the project using the data collected by the computerized attendance system as a base. Then printouts were generated which listed all the pupils on each street. Each parent counselor was then assigned several streets, and they proceeded to distribute vouchers to their territories. When the signed vouchers were received at the District Office, they were carefully processed and pupils were then placed in the mini-schools of their choice by a computerized process which had a built-in lottery capability for randomly choosing pupils in the event that a given mini-school was filled.

Computerized printouts of the students who had chosen each mini-school were then distributed to the schools, and these were updated regularly. In addition, a cross-flow matrix was printed by the computer which displayed in matrix form the flow of pupils from various mini-schools into other mini-schools. This printout displayed at a glance those mini-schools which were losing children and those which were gaining. The system worked very well, and there were few complaints. Schools received up-to-date information throughout the summer on the pupils who had enrolled in the various mini-schools, and the computer automatically sent notices to each parent confirming the placement of their children in the mini-schools of their choice.

The second system of crucial importance in the operation of the project was the income-outgo budget system. At the end of the second year this too was functioning well, but it was unnecessarily cumbersome. Each school received a monthly printout which showed the current status of each of its budgeted accounts. In addition, a reserve was displayed which showed how much excess income the school had received over and above the amount which it had already budgeted. When this reserve showed a negative balance, it was a signal to program managers that budget cuts had to be made in their existing budgets. The printouts displayed the actual salaries of all the personnel in each mini-school, but the school's voucher income was only charged an average salary for each category of employee. To explain the discrepancy between the actual salaries which were displayed and the average salaries which were charged to the schools a system of subsidies was initiated and displayed to indicate whether each school's average salaries were above or below its actual costs. The monthly reports came in two parts: a budget summary which displayed the overall status of each mini-school's various accounts, and a detailed ledger which listed every transaction in each account for the preceding month.

Another report had been developed which was called The Dollar Allocation Report. This monthly computer printout listed each child who was enrolled in each mini-school either currently or at any previous time during the year. For each child the day of entry, the day of exit, total number of days in attendance, the dollar income from basic and compensatory funds which each mini-school had earned by his presence, and the total income earned by all students in the program were listed. This report was generated by tying into the computerized attendance system. Each child's attendance was monitored and the dollar allocation report then converted each child's attendance pattern into a mini-school income pattern. This Dollar Allocation Report was the ultimate step in realizing the voucher concept of having each child's dollar follow him to the school of his choice. However, the report was not used by program managers and was perceived as an unnecessary, ideological paper exercise. The only issue that really mattered was the bottom line, and this total income was reflected in each program's budget summary. Since no one used this report, it was discontinued during the third year of the project.

The income-outgo budget systems were well designed and technically sound. However, a number of problems continued to plague the users. As described in our earlier reports, the long delay in getting these systems to be operational had created serious credibility problems at the schools. Furthermore, the sophistication of these systems required a corresponding increase in sophistication at the school level by the secretaries and mini-school budget people who were charged with the task of making and coding purchase orders, contracts, reimbursements, etc. No funds had been set up to provide in-service to these users of the system, and consequently there was an ongoing problem caused by coding errors. These errors were fed into the computer, which in turn generated printouts that reflected them. The schools then received these erroneous printouts and were dissatisfied with the information which they contained because they knew from their own records that some of the figures were incorrect. Furthermore, when errors were identified, it was sometimes difficult to get them reversed.

However, the fundamental problem was that for the printout system to be useful, each program manager had to review the budget summary and ledger when it was issued to his school each month, and highlight errors before they became entrenched. This usually required less than an hour of time, but many program managers did not take the trouble to make these checks because they lacked confidence in the system and consequently kept their own manual records which they believed were far more accurate. To make matters worse, because the principals were aware that the printouts contained errors, many of them were reluctant to share the printouts with their staff members because explaining the errors would put the principal on the defensive. Consequently, many of the teachers in the mini-schools were not even aware that monthly printouts were being sent to their schools, and they complained loudly about the lack of budget information that was available to them. In summary, although the income-outgo budgeting system was technically sound the lack of sophistication of the school clerical staff combined with the indifference of many of the principals and the historical credibility problems regarding the budget printout combined to reduce the usefulness of the budget information.

As the third year came to an end both of these systems were modified. The computerized placement procedure was eliminated and replaced by a manual system because it was cheaper and more appropriate to the task at hand. The primary advantage of the computerized placement system was that it assured that any lottery which emerged would be dealt with fairly. However, because only 60% of the parents historically had submitted their vouchers by the close of school, and since these parents had generally distributed their children fairly evenly across the different schools, experience had shown that lottery situations were extremely rare. Consequently the assets of the manual system became paramount, and this system worked quite effectively.

The income-outgo budget system was also modified during the fourth year. The modification related to new procedures for handling both basic voucher and compensatory voucher budgets, respectively. With regard to the basic voucher budget, the principals had recommended that salaries for basic program personnel should no longer be voucherized, but that they should be handled on a centralized basis. The reason for this recommendation was the recognition that these funds, although apparently discretionary, were really beyond the control of the schools. Since the basic voucher was so lean, it was impossible to economically support class sizes smaller than 30. The option remained to go to larger class sizes in order to generate discretionary income, but this strategy was generally unpopular with teachers, which left the schools locked in to a 30-1 pupil/teacher ratio. Once this rigidity was recognized, there was no real discretion with regard to basic salary accounts, and consequently principals felt that since they had no real discretion over this money there was no reason to decentralize it in the first place. This was a major departure from the voucher's theoretical concept, and the district recognized that NIE would have serious questions about such a change.

During a meeting in the spring of the third year of the project, district administrators met with members of NIE's voucher staff and discussed this matter. Unfortunately, there was a major misinterpretation regarding the subject matter of these talks. District participants felt that they had openly and honestly discussed the problem, and that they received the approval of the NIE staff to implement these changes. On the basis of these discussions the Alum Rock budget system was modified. However, the NIE staff members who participated in these discussions came away with a totally different understanding of the content of the discussions. The meeting was never summarized in written form, and consequently neither side was aware of the other's misperception.

The second major budget change related to the compensatory voucher. In an effort to stabilize school budgets against excessive fluctuations caused by enrollment changes associated with high student mobility, the district proposed that compensatory vouchers should be projected in the spring on the basis of projected enrollments and historical patterns of eligibility. In particular, the district proposed that each school's compensatory budget should be estimated by projecting the number of eligible educationally disadvantaged youth in that school. The first 85% of each school's projected compensatory funds would be budgeted for that school, and this amount would be guaranteed regardless of actual enrollment; the remaining 15% would be held in a common district "pot" until October when the actual number of pupils in any school could be counted. When an accurate count had been taken, the compensatory budgets of each school were to be adjusted to reflect the revised count, and 95% of the revised compensatory budget for each school would then be allotted irreversibly to each school. A final adjustment was proposed for

January, and at this time the final count would be taken and each school would then be awarded the difference between its previous allocation and 100% of its final allotment. The motivation for this change was to increase budgetary stability and thereby allow schools to hold less in reserve and thus increase their resource utilization.

These modified rules for allocating compensatory funds were submitted to NIE and approved. However, some of the details of implementation were not included or approved and these caused serious problems in the fall. The details of these misunderstandings will be discussed in Section III-H. At this point it is sufficient to point out that after these changes had been implemented and the Alum Rock budget had been drawn up and approved, NIE discovered that some of these changes had taken place, and that these changes were, in their view, totally unacceptable. An extensive debate ensued, and relations between the two agencies degenerated seriously. In the absence of an agreement between the two sides, NIE unilaterally accepted its own interpretation and froze the district's Federal voucher income until the district complied with NIE's demands.

This action occurred after the October readjustments had been calculated and budget printouts, based on these revisions, had been generated for all the schools in the district. The schools had been eagerly awaiting these printouts in order to get a more accurate picture of their year's resources. However, at the last minute these printouts had to be destroyed, and the entire process had to be repeated using the new rules mandated by NIE. This entailed a delay of nearly a month in distributing the printouts, and this had a disastrous effect on both the credibility of the budgetary system and the reputation of NIE in the district. The anger and frustrations which were generated by this sequence of events effectively eliminated the possibility that the district would voluntarily incorporate income-outgo budgeting as an ongoing procedure for handling district budgeting procedures. The detailed procedures for allocating both basic and compensatory funds in the district during the fourth year are described in detail in Appendix B of this report.

G. MATHSON MIDDLE SCHOOL'S ENROLLMENT PROBLEMS

At the beginning of the third year one more school chose to enter the project. Mathson Middle School was situated in the poorest section of the district. Residents of the area had nicknamed the neighborhood "sal si puedes", which roughly translated means "get out if you can". In the early 1970's Mathson had suffered some major upheavals. Fights had broken out among the students, and confrontations with the local community had erupted. This history, combined with its surroundings, had given Mathson a "bad reputation." However, a new principal had been appointed; extra resources had been allocated

to the school, and new programs had been initiated. As a result, the school's problems had quieted down, and the situation seemed to have become normal.

Because the district's voucher budgeting procedures had highlighted the extra funds which were being channeled to Mathson, pressures had risen to remove these subsidies and require Mathson to function on the basis of the same budgetary ground rules as any other school. Faced with this loss of district financial support, and feeling that its programs had developed a quality which would attract children, Mathson's faculty and community chose to enter the project at the beginning of the third year. This decision had the effect of bringing extra resources to the school through the voucher grant, but it also was a gesture of confidence that the school could stand on its own two feet. Unfortunately for Mathson, the middle school parents in the project showed a strong tendency to avoid sending their children to Mathson. A significant drop in enrollment occurred because many Mathson parents availed themselves of the option of sending their children to other middle schools. The drop in enrollment created serious budgetary problems at Mathson, and the school was required to release several teachers to take positions at other schools and to make significant cuts in its own projected budget as well. Even with these strong measures the school ended the year in a deficit position, and a special teachers' salary reserve which had been placed in the grant by NIE as a protection to the district had to be tapped to cover the short-fall.

In the course of the year an enrollment phenomenon occurred at Mathson because of its image in the community which should be highlighted. In essence, the other three voucher schools in the voucher project filled up to capacity, and once these other schools were filled the remaining applicants had no other choice than to go to Mathson. However, many of them did place their names on waiting lists at other schools in order to gain access in the event that any vacancies opened up. This situation had a devastating effect on the operation of Mathson School. The main problem was that in the course of the year the district's enrollment had a tendency to increase significantly from its September level until January or February and then gradually enrollment tapered off again. Because of the market demand structure, however, as the middle school population increased the enrollment at Mathson increased dramatically because all of the voucher middle school children who were moving into the voucher area were forced to attend Mathson School because it was the only middle school which had openings. Normally this increase would have been absorbed by all four schools, and consequently the increase in size of each of the schools would have been much more moderate. Similarly, when the district enrollment began to drop in the spring all of the middle schools lost children. However, when children left the other schools, Mathson children on the waiting list would transfer out and fill the vacancies.

Consequently the other three middle schools maintained very stable enrollments while all of the fluctuating enrollment in the four attendance areas was focused into Mathson School, and its enrollment shot way up and then fell precipitously down. The effect of this focusing was to ease the administrative problems at the other three middle schools while making insuperable administrative problems at Mathson. Since the school was run on a departmentalized basis, scheduling had to be readjusted several times as enrollment changed. Teachers had to be hired to handle the steep rise in student population, and then some of them had to be released when the enhanced out-migration took place. It appears that this instability is an inherent consequence of a voucher enrollment structure. Unpopular schools will not only suffer a loss of enrollment, but if the other schools are consequently filled to capacity and waiting lists are permitted, the unpopular school will be forced to cope with the cumulative effect of all the transiency in the schools.

H. RELATIONS WITH NIE

During the first year of the project the voucher demonstration was supported by OEO. The Program Office was small, and there was great flexibility in the relationship between the district and OEO. During the second year of the project the voucher effort was moved under the jurisdiction of the newly formed National Institute of Education, which was part of HEW. There was an immediate increase in the level of bureaucracy and red tape. Shortly thereafter critics began to mount a serious assault on the very existence of NIE, in part because of its support of voucher demonstrations, and NIE's proposed budget was slashed severely by Congress. These cuts in turn made it much more difficult for the NIE staff to make commitments for future funding with any degree of certainty. The protracted period of budget uncertainty created a morale problem at NIE, and it is likely that this created a climate of questioning and distrust.

From the beginning of the project there had been a standing agreement that Alum Rock would always have funding for the current year plus one year in advance in order to protect the district against the exigencies of Federal politics. Fortunately, this practice was in effect during NIE's budget crisis, and consequently Alum Rock's funding for the 1974-75 school year had already been granted and was secure. However, in negotiations during the spring of the second year a new budget had to be negotiated for the fourth year of the project as well as modifications and add-ons to the third year's budget. In particular, the growth of the project by the addition of Mathson Middle School required some additional funds, and other programmatic changes also increased the district's needs for the third year of the project.

In requesting these new funds, the district agreed that it would utilize previously granted funds for the second year which were unspent to off-set the additional needs for the third year. However, in the negotiation process, the district's carryover funds were reprogrammed in two different ways. Some of the funds were to remain in the same grant categories as they had originally been when awarded in order to carry out those tasks during the third year. The remaining carryover funds would not be used for the same purposes as originally granted but would be reprogrammed to meet the new needs of the project that were defined during the negotiations process. In submitting its proposal for new funds to NIE, the district added the new funds required for the fourth year of the project, the additional funds required for the third year of the project, and subtracted from the total that part of its carryover funds which had been earmarked for reprogramming. The resulting figure was the bottom line of Alum Rock's proposal. It was clearly understood during the negotiations discussions that the remaining carryover funds would simply be utilized for their originally intended purposes.

As the third year got underway, NIE's budget problems were so severe that it was unable to deliver the additional funds which had been agreed upon at the beginning of the year. The funds were awarded to the district in three separate small grants, the final one being awarded in January. In addition to the delay, however, the final grant action in January unilaterally reduced the third year grant by \$80,000 by refusing to recognize the previously agreed upon distinction between the two types of carryover funds. The fact that the carryover that was available for reprogramming in the district's application was approximately \$80,000 less than the total Central Office carryover according to the budget printouts was attributed to a computational error on the part of the district, and the grant was consequently reduced by \$80,000.

Since this action came in the middle of the year, after major programmatic and personnel commitments had been made, it caused serious dislocations in the administration of programs in the district. A conference on alternative education, intended to stimulate the district teachers to explore their innovations more thoroughly, was cancelled. The expanded program of disseminating information to outside publics was cut back severely, and this cut back led, in part, to the resignation of the Coordinator of Information Dissemination. In addition, in order to stay within budgetary parameters, cuts had to be made in both Evaluation and Parent Counseling, and these cuts led to some serious conflict and morale problems within the project staff. To make matters worse, a degeneration in the cooperative mode that had previously existed between Alum Rock and NIE began to surface quite clearly during the negotiations for the third year of the project. It was clear that NIE was not happy with some of

the developments that were taking place in the project, and that they were disappointed at many of the events of the second year. While the district negotiating team was keenly aware of the realities of budget constraints, they came away from the negotiating session with the sense that the affective climate had been punitive, harsh, and unnecessarily hostile.

During the course of the third year some key personnel changes occurred within the voucher staff at NIE, and an internal procedural decision was made that the NIE staff would assume a more distant and "hands off" role with regard to Alum Rock. Unfortunately, this procedural change was never communicated to Alum Rock, and consequently a serious communications gap emerged between the two agencies. The district was in the process of beginning to think about the phase-out of Federal funding, and consequently almost all aspects of the voucher project were being re-examined. Furthermore the NIE office indicated that it would be open to modifications of the project, based on the district's experience of what was effective, in order to establish procedures that had some chance of being maintained by the district after the Federal government's involvement had ceased. These changes were discussed extensively in the district and communicated to NIE, either verbally or in writing, but the communications gap which had opened between Washington and Alum Rock had become so wide that in some crucial areas NIE did not understand the context or precise meaning of some of the district's proposed changes. In the spring of the third year, several members of the NIE staff came to Alum Rock and held discussions with key members of the Business Office. The district had been discussing the possibility of modifying the mini-school structure for several months and NIE was fully aware of these discussions. In particular, many of the schools felt that maintaining separate mini-school budgets was seriously dysfunctional, and they wanted to centralize, at the school level, all of their mini-schools' funds.

In particular this budgetary consolidation of mini-schools within a school involved centralization of the salaries of all the personnel in that school. This request had emerged because of the awkwardness of charging the salaries of personnel who worked with several mini-schools to the various appropriate budgets. Centralizing these salaries at the school level would have a clear effect of simplifying the bookkeeping in such instances. Simultaneously, however, the district had also been discussing the desirability of centralizing salaries at the district level for staff who were hired with basic district funds. As described in an earlier section, the rationale for this change was that funds to pay the salary of personnel hired for the basic program were decentralized to the schools through the voucher mechanism, but they were not really subject to the decision-making processes at the schools because these funds were locked in.

The meeting between NIE and Alum Rock staff members in the spring addressed these problems. The Alum Rock contingent proposed that salaries be centralized throughout the district, and the NIE representatives concurred. However, their concurrence was based on the misconception that the centralization of salaries referred to was centralization of the salaries of mini-school personnel at the school level. They did not recognize that the issue being discussed was the centralization of all basic salaries at the district level. The district representatives, on the other hand, were quite sure that they had made a clear and cogent presentation of their concern for centralization of salaries at the district-wide level, and they were delighted to have received NIE's approval. Consequently the district proceeded to set up its budget by centralizing the salaries of all personnel who were funded under the district's basic support program.

The reality of what went on in the spring meeting is still a subject of debate, and no objective determination of what occurred during that meeting is available. However, the facts of what occurred are not so important as the way in which the conflict was resolved. The district had already established its budget, and Board approval had been obtained. Operations were proceeding when NIE became aware that the new budget had centralized salaries. NIE expressed its disapproval of this change and insisted that it be rescinded. The impact of making such a change on the Business Office staff from a technical standpoint and the district Administrative Staff from a morale standpoint was enormous, and the district was reluctant to comply.

NIE took the position that there had been a deliberate duplicity on the part of the district, and that the district had purposely made an effort to dupe NIE. Consequently, NIE issued a formal letter freezing all voucher funds until the district agreed to comply with its requirements. Since the district was already well into its fiscal year and had made contractual obligations predicated on the receipt of 1.5 million dollars from NIE, the district had no choice except to capitulate because the only alternative was bankruptcy.

A similar incident occurred later in the fall with respect to the district's procedures for voucherizing compensatory funds. In this case written communications had been sent to NIE regarding the district's plans. Since no questions were raised by NIE with regard to these plans, the district proceeded to implementation. In October, after a major readjustment of compensatory funds had been calculated and printouts for all the district's schools had been generated, NIE discovered what had been done and registered their strong objection. Once again funds were frozen until the problem was rectified in a manner that was dictated by NIE.

The net effect of these freezes was that no new NIE funds became available to the district until January of the fourth year. Fortunately carryover funds from the previous year were sufficient to cover the district's voucher expenses during part of this period, but these were exhausted during the fall and the district's cash flow was adversely affected in a significant way before any new NIE funds became available.

The combination of NIE's accusation of deliberate duplicity and the subsequent resolution of the disagreement by NIE's unilateral freezing of funds until their demands were met totally destroyed any semblance of a cooperative working relationship between the two organizations. Furthermore, the district's outrage at NIE's tactics had direct consequences on the attitude of the district's administrators towards the voucher project as a whole, and this occurred just as the district and EVAC were beginning to consider the issues of which facets of the voucher program the district would be interested in maintaining after the Federal involvement had terminated. It is difficult to assess how serious an impact these incidents had on the district's final decisions with regard to the phase-out of the voucher project.

I. THE HEW AUDIT

During the first two years of the project there had been fairly close monitoring of the project by OEO-NIE. However, as indicated above, during the third year of the project communications broke down and there was relatively little contact between NIE and Alum Rock with regard to either program or contract issues. The district submitted its Quarterly Reports, and these were received without comment. In the early spring the Office of Contracts and Grants from NIE sent an official to Alum Rock to examine the district's books. At that time he discovered that the district had been drawing on its NIE grant funds at a faster rate than it had been spending them. Consequently there was a cash surplus of NIE funds in the district's account. Simultaneously, he noticed that the district's cafeteria program was in a deficit position because of a quirk in the reimbursement policy of the Federal Free Lunch Program. He concluded tentatively that in effect this state of affairs was equivalent to using voucher funds to cover deficits in the cafeteria program, and consequently he requested the HEW Audit Office to conduct a major audit of the project.

In early May a team of three auditors arrived in the district and began their work. During an initial meeting between the auditors and the Superintendent and his staff a set of ground rules was established. In particular, the auditors agreed that any findings which they made would be submitted first to Alum Rock so that Alum Rock would have

an opportunity to respond before any findings were submitted to NIE. The auditors worked throughout the summer and through the fall and as of January 1976 they have not completed their audit. From the district's perspective it was a mysterious proceeding, with assurances being given every month that the audit was about to be completed within a few days. As the findings finally began to emerge, the district was shocked to find that:

- a) the initial agreement that all findings would be submitted to Alum Rock for response prior to being submitted to NIE was being violated. The district administrators were astonished by this lack of professionalism.
- b) the audit findings did not limit themselves to issues of compliance or business practices, but the auditors took it upon themselves to impose their interpretations of what the NIE - Alum Rock contract should have been in spite of the fact that they were made aware of the fact that their interpretation was grossly different from the agreements that had been made between the two agencies when the project was initiated. Furthermore, in some program areas the auditors took it upon themselves to include in their formal audit recommendations that the district should be required to make program modifications which the auditors felt would improve the project.

Since the auditors were not educators and had not been a party to any negotiation process between the district and the Federal agencies, the district's administrators were astonished by the effrontery of a team of cost accountants presuming to tell the district how to operate its educational programs and even including recommendations on how the district should communicate information of a delicate political nature to its community. The combination of the seemingly endless time and money that was spent by the audit team and the arrogance and inappropriateness of some of their so-called audit recommendations left many of the district's administrators with the sense that the audit had some hidden agenda; furthermore, it left a strong impression that the district should be very wary of getting involved in experimental programs with the Federal government. The anger and resentment generated in the district's decision makers toward NIE by this behavior strongly influenced the emotional climate in the district at the time that final recommendations on the future of vouchers in Alum Rock were being developed by the Administrative Staff.

As of January, 1976 the audit findings have still not been released.

During the third year of the project the district began to think about negotiations with NIE for the projected fourth and fifth years of the project, and it became clear that such negotiations would require some planning and thought with regard to the district's ultimate preferences regarding what aspects of the voucher project, if any, it wanted to retain after the experiment. At the Superintendent's request the Project Director submitted a proposal for phasing out the incremental administrative costs associated with the project. The Project Director, perceiving that all of the essential elements of a functioning voucher system would be in place by the end of the third year, recommended that his position, as well as that of the other Sequoia administrators, be cut to half time during the fourth year of the project. The Superintendent accepted this recommendation, and the district's proposal to NIE for 1975-76 reflected this reduction in administrative costs.

The programmatic questions relating to phase-out were far more complex and consequently required extensive consultation with the district's administrators, teachers, and parents. In the middle of the third year of the project the district's entire Administrative Staff scheduled time to explicitly address the question of which features of the voucher program were educationally sound and should be incorporated into the district's normal functioning, and which were disfunctional and should be rejected. A set of topics was identified, and teams composed of members of the Administrative Staff met on several occasions to develop recommendations. These teams reported back to the Administrative Staff as a whole, and the larger group then made a series of formal recommendations to the Superintendent. These recommendations are attached as Appendix C of this report.

In order to obtain input from parents and teachers, EVAC took responsibility for making a series of recommendations regarding the future of vouchers in the district. A list of issues was identified, and EVAC established a committee to propose a set of recommendations on these issues to EVAC as a whole. EVAC recommended a process whereby each school's Parent Advisory Committee would deal with these issues of voucher phase-out and make a series of recommendations for that school. Since the Parent Advisory Committees were made up of parents and teachers from each school, both perspectives would be included in these recommendations. EVAC then saw its role as compiling these recommendations and formulating an over-all recommendation to forward to the Board of Trustees. This process was initiated by EVAC in the fall of the fourth year of the project.

EVAC's planned procedure was modified by events. Although the principals of each school (both voucher and non-voucher) were notified in writing of the need to get recommendations from their ABCS's, and the ABCS Chairpersons were also notified directly, the newness and ineffectiveness of the parent advisory

structure at many of the schools resulted in no action being taken or communicated to EVAC. In the meantime, one of the voucher schools had independently developed a rough questionnaire and distributed it to parents in their community in order to obtain a broader base of input for their advisory board to use in making its decision. This process was communicated to EVAC as a whole at a special informational meeting which EVAC conducted to discuss phase-out issues, and a recommendation was made that the Voucher Office develop a questionnaire to be distributed to all schools. The intent of this questionnaire was to provide a tool to the parent advisory boards at each school to help them obtain a broader sample of parent opinions before making their final recommendations.

The distribution of the questionnaire by each school was not mandatory; it was simply offered as a tool for assisting each school's parent advisory board if they chose to use it. The wording of the questions was structured to deal with policy issues rather than procedural details, and voucher terms (such as mini-school and parent counselor) were avoided since the questionnaire was to be distributed to non-voucher as well as voucher schools. A copy of this questionnaire and the tabulated results are enclosed as Appendix A of this report. The survey results served as the main input to EVAC's Subcommittee, and based on these results a recommendation was submitted to EVAC, modified by EVAC, and finally submitted to the Board of Trustees. EVAC's recommendations on the future of vouchers are also included in Appendix A of this report.

While avoiding most voucher terminology, EVAC's recommendations strongly urged the Board to maintain alternative education and parent choice within the District. While this process was occurring with EVAC, the district's Administrative Staff was also submitting a set of recommendations to the Superintendent for transmittal to the Board. The various subcommittees of the Administrative Staff each considered the entire range of voucher issues and made their recommendations on these issues to the Superintendent. These were reviewed by the Superintendent's Staff, and they also submitted a recommendation to the Superintendent. The Superintendent's final recommendation, based on the input from the various administrative groups, is attached as Appendix D of this report. It incorporated many of EVAC's recommendations. In general, the Superintendent and central staff were extremely impressed by the thoughtfulness and professionalism of EVAC's recommendations, and consequently the two sets of recommendations which went to the Board, from EVAC and the Superintendent respectively, were quite similar.

At the time of this writing the Board has not taken any final position on these issues. In general, the external pressures that are operating on the Board at the time of their decision are as follows:

1. Similar recommendations from both EVAC and the Administrative Staff (via the Superintendent) urging a continuation of the process of institutionalizing alternative education and offering parents choice;

2. Pressure from a small but vocal community group urging the Board to take strong measures to improve the district's standing in standardized tests. This group has urged the Board to establish a set of standardized curriculum requirements by grade for all schools in the district and to require all schools to adhere to these so that there will be standardization of curriculum throughout the district. Given the high mobility of students within the district, this group has been very concerned that students in going from one school to another should be able to fit smoothly into the new school's curriculum. While this group formally represents a very small constituency (approximately thirty parents), their concern about test scores district-wide has struck a very responsive chord on the part of the members of the Board of Trustees, and consequently their point of view is being given very serious consideration;
3. The teachers' organizations have gone on record as supporting the mini-school concept and the expanded role of teachers in choosing curriculum and making local budgetary decisions. This pressure for local autonomy would tend to support alternative choice because the mounting pressures of the district's serious financial bind are placing a constraint on the kinds of decisions which can be made. In particular, if curricular diversity and parent choice are significantly more expensive to maintain than a system of uniformity and neighborhood schools, there will be very little choice available to the district when the final decision must be made. The budget squeeze is so severe that any decision involving an increase of district funds for program purposes will have a direct negative consequence on teacher salary raises during the coming year. Since these raises were only 1.1% last year (not including those raises associated with slightly increased fringe benefits and a decrease of three days in the working year) the pressure to increase salaries by as much as possible during the coming year is very strong.

The essential voucher mechanism is the process of allocating funds to schools on a per-pupil basis. In Alum Rock the demonstration tried to implement this process with regard to both normal district basic program funds and the district's large compensatory income. With regard to compensatory funding, the voucher mechanism represented the antithesis of the logic of Title I's approach. Under Title I those schools in a district which are most highly impacted by poor pupils are identified, and these are the only schools in the district which are then eligible to receive Title I funds. Disadvantaged students in non-identified schools receive Title I funds. Disadvantaged students in non-identified schools receive no compensatory funding at all. The intent of this process is to avoid diluting the impact of compensatory funds to the point where they become ineffective. However, in a district like Alum Rock where large numbers of disadvantaged children attend every school this formula has the effect of creating blatant inequities, because children in one school receive significant amounts of additional educational resources, while children in a neighboring school with almost the same socio-economic profile receive no compensatory funds at all. The voucher philosophy is an attempt to assure equity in the treatment of all disadvantaged children; the Title I philosophy is an attempt to assure equity in the treatment of all disadvantaged children; the Title I philosophy is to focus compensatory funds at a level that is necessary to assure impact. As the district began to consider the phase-out of NIE funding, the general question of how all of the district's compensatory funds should be distributed was examined very thoroughly.

Because of Alum Rock's high incidence of poverty, mobility, and bilingualism, the district was eligible for large amounts of compensatory funds from various sources. The major programs which contributed to the district were Title I, Vouchers, Title VII, SB-90 State compensatory funds, Early Childhood Education (ECE), Miller-Unruh Reading Program, as well as other smaller sources. Both State and Federal compensatory funds funneled into the district through the California State Department of Education, and early in the project this office had developed a new set of guidelines for districts to use in allocating all compensatory funds through a single Consolidated Application.

Under this procedure, the district was required to calculate the percentage of Educationally Disadvantaged Youth (EDY) in each school. The schools in the district were then to be listed in sequence according to percentage of EDY, with the school with the highest percentage of EDY pupils at the top. A minimum level of funding per pupil was then established by the State (\$350.00), and the number of disadvantaged pupils in the first school on the list was then multiplied by the minimum acceptable level of per-pupil funding to determine the minimum allocation which that school would receive. Funds from various compensatory sources could then be "layered" into the school until the sum total of

all compensatory funds from all programs in that school reached the minimum level. If compensatory funds were left in the district's total pool at this point, the same process would then be applied to the second school on the list. These steps would be repeated for each school, in order, until the entire pool of compensatory funds had been exhausted.

The final allocation plan was developed individually by each district, with consultants from the State available for advice, and the final district plan had to be approved by a district advisory committee composed of parents and teachers from each of the district's schools and then submitted to the State Department for approval. One consequence of this process was that individual schools could be receiving as many as three or four different kinds of compensatory funds, each with its own set of guidelines and reporting requirements. Consequently a given school's budget might include three or four different program budgets, each with accounts for salaries, materials, etc. These overlapping program requirements and redundant budgets created a level of complexity that made building administration difficult and frustrating.

Consequently, the opportunity for the district's administrators to voucherize all compensatory funds coming into the district was welcomed because the development of guidelines to govern this process offered the possibility of creating a more rational structure. The Administrative Staff spent large amounts of time considering the various aspects of compensatory funding and developing a set of policy statements which they felt would be productive and rational for the allocation of the district's compensatory funds. A copy of the final recommendations of the Administrative Staff is included as Appendix E of this report. In general, the recommendations called for the development of a single criterion of eligibility rather than the multiplicity of previously existing criteria (AFDC eligibility, EDY, Free Lunch eligibility, etc.) and a consolidation of compensatory budgets so that the school administrators would have a single compensatory program which would include funds from all sources.

One interesting theoretical question which was posed by the Consolidated Application was the inherent inverse incentive problem that was posed by granting compensatory funds to those schools that had the highest incidence of EDY pupils. This contradiction occurred because EDY was defined in terms of percentile rankings of students according to national norms on reading scores. Consequently, the school with the highest percentage of EDY) and consequently the highest priority for receiving compensatory funds and the highest percentage level of compensatory funds) was that school whose pupils had performed worst during the previous year. From a broad management perspective this had the effect of "rewarding" the schools which were performing badly.

The counter-argument was that compensatory funds were not intended to provide incentives to schools to obtain increased funding; rather, they were intended to meet the needs of disadvantaged children, and therefore the issue of incentives was

irrelevant. According to this counter-argument the professionalism of teachers and administrators was sufficiently high that they could be depended upon to try to increase their pupils' skills as much as possible, and the possibility that teachers might try to encourage their pupils to do poorly on standardized tests in order to increase the compensatory funds available to the school was considered to be unrealistic.

Nevertheless, given the operation of the Voucher Project with its consequent incentive structure, there was a broad recognition among the district's administrators that there was an internal inconsistency in the district's procedures. In an effort to overcome this contradiction, the district's administrators recommended that a significant portion of the district's entire compensatory pool should be set aside to provide incentives to schools for improving the test scores of their children. According to this recommendation, the schools whose pupils showed the greatest growth in reading (note the emphasis on growth rather than absolute scores) would receive a significant bonus of compensatory funds. Under this proposal, a school with a high percentage of EDY which was successful in substantially reducing its percentage of EDY pupils would lose compensatory funds because of the basic allocation structure which awarded funds on the basis of the number of EDY pupils; however, this loss would then be partially reinstated by virtue of the bonus the school received because of its success. Although this proposal was supported by the Administrative Staff, when the final plan was ultimately sent to the district advisory committee of parents and teachers this provision was deleted in response to their disapproval.

The impetus to re-examine these issues had been generated both by the district administrators' concerns with existing procedures as well as the insistence of NIE that the district develop a voucherized procedure for allocating all compensatory funds. However, the procedures which were developed were not in accordance with State and Federal guidelines, and in order to implement them waivers had to be obtained at both the State and Federal levels. The State Department of Education was exceedingly flexible and responsive to Alum Rock's proposal, and their Office of Compensatory Education was consistently helpful. However, Title I guidelines were based on statutes and the possibility of obtaining waivers from these was very remote.

Fortunately, during the third year of the project, Congress directed the Department of Education to conduct a national experiment on alternative procedures for allocating compensatory funds. The purpose of this study was to provide information to the Congress of the effectiveness of various allocation schemes in order to provide some policy direction when new legislation had to be enacted in this area. The legislation directing the Office of Education to conduct this experiment explicitly contained the provision that twenty school districts throughout the country would be selected to participate, and that waivers would be granted to participating school districts in order to

allow them to implement their proposed plans. The administration of the experiment was assigned to NIE, and Alum Rock applied to be one of the twenty experimental districts. Its application was accepted, and this made the possibility of obtaining the necessary waivers much more realistic.

At this point some of the district's recommendations are being implemented as part of a planning year prior to revision of the district's recommendations and full implementation during the fifth year of the project.

One of the large questions surrounding the implementation of a voucher experiment is the effect that such a system has on the learning of children. In order to be able to answer this question, the students in Alum Rock have been subjected to a very thorough and extensive testing program. In general all children in both the voucher and non-voucher schools have been pre and post tested each year, and this provides a data base for comparing the academic growth of children from these two types of schools. The results of a preliminary comparison have been that there is very little difference in the growth in reading and math of children in the voucher and non-voucher schools, respectively. In terms of absolute grade level equivalents, children in both sets of schools are scoring extremely low according to national norms. In attempting to analyze the causes of the district's low performance on test scores, extensive analyses have been performed on some of the data; some results have emerged from this analysis which were predictable and others which were quite surprising.

In general, the analysis of the test scores has shown that students who stay at one school over a period of time perform better and grow more than students who are highly mobile. Furthermore, students with high absentee rates demonstrate less growth than pupils who attend regularly. These results are in accordance with the common sense expectations that students who attend school learn more than their counterparts who do not. However, one result of these analyses which was not expected was that a paradox seemed to be emerging.

When examining the rate of growth of Alum Rock pupils between pre and post test, the rate of growth was higher than the rate of growth of children across the nation according to national norms. Nevertheless, in spite of this significant growth, the absolute scores kept going down relative to national norms. Careful study of the data indicated that the phenomenon was caused by the dramatic drop in scores among Alum Rock pupils between spring post tests and fall pre tests. While national norms indicate that pupils grow more slowly during the summer recess than they do during the academic year, they nevertheless show some growth during the summer. However, the test scores of Alum Rock children on the fall pre tests are actually significantly lower than their corresponding scores on the post tests given the previous spring. This suggests that the professional staff in Alum Rock is being very effective in promoting the academic growth of children during the period of time when those children are in school. It also suggests that there is a fascinating imponderable variable in the community which leads to serious loss of achievement during the summer. The exploration and examination of why this occurs would appear to be a useful and potentially rewarding effort if these suggestive preliminary results are confirmed by future data.

The voucher concept, as implemented in Alum Rock, did not live up to the expectations of many voucher advocates nor the fears of many voucher opponents. Consequently, the Alum Rock Project has been ignored by both sides, and this situation is quite unfortunate because a number of dramatic, solid innovations have been realized which the national educational community should consider.

- The Voucher Project did succeed in bringing an increased measure of diversity into the district's curriculum, and open enrollment plus variable capacity of the programs significantly increased the responsiveness of the schools to their communities.
- Significant new ground was broken in the area of providing parents with understandable, comparative information about the various schools and programs in the district.
- New roles were developed for administrators, teachers and parents with understandable, comparative information about the various schools and programs in the district.
- New roles were developed for administrators, teachers and parents. In particular, teachers took a leading role in designing their own curricula and choosing their instructional materials; in spite of the extra time required, most teachers were very supportive of this new role.
- A significant minority of parents exercised their right to send their children to non-neighborhood schools.
- Some programs were forced to shut down because of the lack of parent support.
- Systems were developed to allow compensatory education dollars to follow eligible children to any school and not just to those schools which were highly impacted.

On the other hand, several essential voucher features were shown to be weak or ineffective.

- It became apparent that even with the distribution of a great deal of readable information to the community, the interest of parent-consumers was not high enough to allow accountability to consumers to replace administrative accountability without risking a serious decline in the quality of education.
- The voucherization of basic district funds was a cumbersome process because the constraints of State law and district policies and negotiations limited severely the real discretion which schools could exercise over their voucherized income.

- Since the decentralized schools were not separate legal entities, many constraints were necessarily imposed on the decentralized decision-making processes of the individual schools and mini-schools.

In general, the effectiveness of simulating an educational marketplace by the use of vouchers is limited because the analogy does not allow successful educational producers to earn more financial rewards. The incentives for successful programs to expand are basically intangibles such as professional pride and power. However, there are also strong intangible incentives for programs to remain small, such as greater personal satisfaction from interacting with a small group of peers. In the absence of added financial benefit, the incentives to remain small have tended to be more compelling than those to expand, and consequently this aspect of the market analogy is severely weakened.

Final conclusions are still premature. The Alum Rock Voucher Project has more than a year to go before its termination, and the full results of the Rand evaluation will not be available until after the completion of the project. At this point it appears that the district will continue to offer educational options to parents, and this is a highly significant outcome.

Appendices to Final Report of
Third and Fourth Years Operation
of the
Alum Rock Voucher Project

Appendix A

EVAC's QUESTIONNAIRE, TABULATIONS, and RECOMMENDATIONS

Plan For Developing Recommendations on the Future of Vouchers in Alum Rock

I - Introduction

The Board of Trustees and the Superintendent need input to help them in making decisions about which features of the voucher project should be preserved and which ones eliminated after the final phase-out of federal funds. This year the District is receiving about \$1.4 million from NIE for the operation of the voucher project. Next year (1976-77) this amount will probably be reduced to less than \$500,000, and this will be the final grant from NIE. The purpose of developing these recommendations is to help the District to make an orderly transition from a federally funded demonstration project to an ongoing District-supported program.

II - Avenues for Input

<u>Group</u>	<u>Channel</u>
parents	(1) EVAC via ABCS
staff	(1) meetings in each school of all staff members - recommendations made to EVAC through EVAC staff representative (2) meetings at District Office of all staff members in central office - recommendations submitted to EVAC in writing
administrators	(1) administrative staff committee recommendations (2) management council

III - Specific Parts of the Voucher Model

Listed below are various "pieces" which, taken together, form the voucher system in Alum Rock. The task to be addressed is which of these features, if any, should be incorporated into the District on a permanent basis?

1. Alternative education - Should different kinds of educational models be offered in the Alum Rock Schools, or should there be a single curriculum structure for all children in the district (except for children in special education programs)?
2. Open enrollment - Should parents be allowed to choose educational programs for their children (a) within their neighborhood school? (b) at any school in the district?
3. Transportation - Should the district provide transportation to non-neighborhood schools?
4. Voucher budgeting - (a) Should each school's basic program resources be set by multiplying the number of children in that school by the per-pupil cost of the district? (b) Should each school's compensatory budget be determined by multiplying the number of educationally disadvantaged pupils (EDY) in that school times a fixed compensatory amount for each eligible child?
5. Mini-schools - Should there be alternative programs within a school in terms of: (a) curriculum (b) budget (c) advisory boards (d) size (fixed in advance or variable until school starts)?

6. Transfer - Should pupils be permitted to transfer during the year?
7. Parent Information - (a) What kind of information should the district provide to parents about the schools? (b) How should this information be provided?
8. Parent Involvement - How should parents be involved in helping to make educational decisions? (a) at the school level, (ABCS, mini-school advisory boards, etc.) (b) at the district level (DAC, EVAC, school-house planning, etc.)
9. Evaluation - How should programs be evaluated?
10. Decentralization - Should decisions be made at the school level or the central level?

IV - Process For Making Recommendations

Recommendations should be developed in two steps:

- 1) What aspects of the voucher project do we want to eliminate?

This question should be addressed first because it can be answered without reference to cost. Stated another way, the question could be, "even if we had lots of money, which features of the voucher project do not contribute to improving education in Alum Rock?"

- 2) Can we afford to preserve those features of the voucher project which we want to maintain?

There may be features of the voucher project which we want to keep, but some of them will require additional district funds. Priorities will have to be set in two ways.

- a) The features of the voucher project which we want to keep will be listed in order of importance.
- b) After decisions have been made at the district level regarding the previous matters, the costs, if any, of preserving certain features of the voucher project must be weighed against other needs of the district. It is strongly urged that consideration of this complicated question be postponed until January 19, 1976.

V - Time-lines

It is recommended that each group wishing to have input into these decisions should submit its recommendations by December 31, 1975. Schedules for developing recommendations should be designed so that this deadline can be met. Given the holiday vacation schedule, recommendations from the administrative staff teams would have to be submitted by Thursday, December 18, 1975.

VI - Clarification of Issues

A special meeting of EVAC will be held at 7:30 p.m. on Thursday, November 13th to discuss and clarify the ten items listed under III above. All interested parties are invited to attend. This meeting will be held at the Pala School Library.

HELP US to make some decisions about your children's education. The Federal Government is going to end its financial support of the voucher project in the next year or two. We want to find out what parts of the project you want to keep and what parts you don't want to keep. Your opinions will be carefully considered in making any future decisions.



THE VOUCHER PROJECT

ALUM ROCK UNION ELEMENTARY SCHOOL DISTRICT
2930 GAY AVE., SAN JOSE, CA. 95127 (408) 258-4923



January 6, 1976

FUTURE OF VOUCHERS SUMMARY

At EVAC's request, a parent survey of voucher and non-voucher schools was made to find out what parts of the project the parents wanted to keep and what parts they didn't want to keep.

There were 1654 questionnaires returned and tabulated from all of the schools and Central Staff in the Alum Rock Union Elementary School District. The attached detailed pages are a summary of the tabulated responses to the survey.

Appendix A

BOARD OF TRUSTEES

EDWARD S. ROBERTO, President
ROBERT E. BARNES, Jr., Clerk
BERNARD L. PASSET, D.D.S.
TOM A. MARTINEZ
MARJORIE N. HAYES

WILLIAM J. JEFFERDS, ED.D.
Superintendent

WALTER J. SYMONS, ED.D.
Deputy Superintendent

PAUL E. RINGBURY
Assistant Superintendent
Special Services

W. RUTH CASEBREAD
Assistant Superintendent
Business Services

ERNEST J. PARSONS
Assistant Superintendent
State and Federal Projects

GAIL JARAMILLO
Assistant Superintendent
For Personnel

JOHN E. WIS
Teacher
School Community Relations

1. Should all schools in the district offer the same educational program to all children, or should there be alternatives which parents can choose? (Please check one statement for elementary schools and one for middle schools.)

Elementary schools (check one).

- 1a. All elementary schools in the district should offer the same educational program.
 1b. Different elementary schools in the district should offer different educational programs.
 **1c. Each elementary school in the district should offer several different educational programs.

Middle schools (check one).

- 1d. All middle schools in the district should offer the same educational program.
 1e. Different middle schools in the district should offer different educational programs.
 **1f. Each middle school in the district should offer several educational programs.

Responses From:	Number of Questionnaires Tabulated	Percentage of Parents Choosing Each Response					
		1a	1b	1c	1d	1e	1f
Arbuckle	131	42	19	50	29	10	47
Cassell	241	32	15	53	30	10	48
Conniff	145	40	24	42	28	14	42
Dorsa	140	44	24	37	37	16	36
Goss	41	41	20	56	27	20	49
Hubbard	79	51	06	41	40	10	39
Mayfair	58	45	16	35	22	19	29
McCollam	253	25	21	58	17	15	51
Meyer	82	30	20	50	21	11	57
Miller	31	29	10	45	20	20	45
(Total Voucher)	(1,218)	(36)	(19)	(48)	(27)	(13)	(45)
Linda Vista	46	39	26	33	24	20	43
Lyndale	64	55	11	42	47	06	44
Ocala	53	60	09	17	45	02	38
Painter	59	61	15	41	42	10	41
Rogers	72	51	10	31	49	04	36
Ryan	34	44	—	50	38	15	38
Shields	34	29	24	38	21	21	44
Slonaker	34	44	21	50	29	12	47
(Total Non-voucher)	(419)	(49)	(14)	(38)	(38)	(10)	(41)
All Schools Total	1,654	39	17	45**	30	12	43**

Note: 1) Mathson, Pala, George and San Antonio had no response.

2) Fischer, Sheppard, Cureton and Central Staff had less than 25 responses and are not listed individually; however, they are included in the total figures.

** Indicates greatest percentage preference.

2. Should you be allowed to choose the kind of program you want for your child or should the schools make that decision? (Please check one.)

**2a. Parents decide.

2b. Schools decide.

Responses From:	Number of Questionnaires Tabulated	<u>Percentage of Parents Choosing Each Response</u>	
		2a	2b
Arbuckle	131	71	38
Cassell	241	81	14
Conniff	145	63	29
Dorsa	140	61	28
Goss	41	83	27
Hubbard	79	65	34
Mayfair	58	74	22
McCollam	253	49	20
Meyer	82	87	13
Miller	31	42	48
(Total Voucher)	(1,218)	(72)	(24)
Linda Vista	46	57	46
Lyndale	64	55	39
Ocala	53	43	43
Painter	59	54	37
Rogers	72	50	47
Ryan	34	44	44
Shields	34	65	47
Slonaker	34	50	50
(Total Non-voucher)	(419)	(52)	(44)
All Schools Total	1,654	66**	29

Note: 1) Mathson, Pala, George and San Antonio had no response.

2) Fischer, Sheppard, Cureton and Central Staff had less than 25 responses and are not listed individually; however, they are included in the total figures.

** Indicates greatest percentage preference.

3. Should you be allowed to choose which school in the district your children attend or should your children be required to attend your neighborhood school? (Please check one.)

**3a. Parents choose school.

3b. Neighborhood school required.

Responses From:	Number of Questionnaires Tabulated	Percentage of Parents Choosing Each Response	
		3a	3b
Arbuckle	131	74	27
Cassell	241	71	22
Conniff	145	67	33
Dorsa	140	61	35
Goss	41	80	20
Hubbard	79	67	27
Mayfair	58	66	33
McCollam	253	69	31
Meyer	82	72	28
Miller	31	52	42
(Total Voucher)	(1,218)	(68)	(27)
Linda Vista	46	46	43
Lyndale	64	50	45
Ocala	53	51	47
Painter	59	44	49
Rogers	72	40	58
Ryan	34	44	44
Shields	34	62	32
Slonaker	34	79	15
(Total Non-voucher)	(419)	(50)	(44)
All Schools Total	1,654	63**	33

Note: 1) Mathson, Pala, George and San Antonio had no response.

2) Fischer, Sheppard, Cureton and Central Staff had less than 25 responses and are not listed individually; however, they are included in the total figures.

** Indicates greatest percentage preference.

4. Suppose that your child could attend any school in the district and you preferred a school outside of your neighborhood. Would you send your child to that school if:

(Please check one answer on each line) Yes No

The district provided bus transportation . . . **4a. 4b

You had to provide your own transportation . . . 4c **4d

Responses From:	Number of Questionnaires Tabulated	Percentage of Parents Choosing Each Response			
		4a	4b	4c	4d
Arbuckle	131	85	10	29	27
Cassell	241	82	12	28	35
Conniff	145	84	10	19	43
Dorsa	140	71	16	22	39
Goss	41	95	05	24	27
Hubbard	79	85	09	11	32
Mayfair	58	90	03	17	36
McCollam	253	79	13	25	45
Meyer	82	83	13	23	43
Miller	31	74	10	32	32
(Total Voucher)	(1,218)	(81)	(11)	(23)	(38)
Linda Vista	46	65	15	37	35
Lyndale	64	92	06	30	28
Ocala	53	74	19	30	32
Painter	59	27	61	39	42
Rogers	72	76	15	31	35
Ryan	34	74	06	44	44
Shields	34	88	09	15	62
Slonaker	34	97	06	21	29
(Total Non-voucher)	(419)	(73)	(19)	(32)	(37)
All Schools Total	1,654	79**	13	25	37**

Note: 1) Mathson, Pala, George and San Antonio had no response.

2) Fischer, Sheppard, Cureton and Central Staff had less than 25 responses and are not listed individually; however, they are included in the total figures.

** Indicates greatest percentage preference.

FUTURE OF VOUCHERS SUMMARY -

QUESTION 5

5. What kinds of information would you like to receive about the schools in the district?
(Check as many as you like.)

**5a. Information on what is taught in the different educational programs.

**5b. Information on the teachers' goals in the different educational programs.

5c. Information on how students feel about their school.

**5d. Information on how students performed on tests.

5e. Information on programs and test scores for just my child's school.

5f. Information on programs and test scores for all schools in the district.

5g. None of the above.

Responses From:	Number of Questionnaires Tabulated	Percentage of Parents Choosing Each Response						
		5a	5b	5c	5d	5e	5f	5g
Arbuckle	131	90	57	53	56	42	42	02
Cassell	241	80	65	58	87	48	48	--
Conniff	145	81	45	63	64	39	39	--
Dorsa	140	72	55	51	60	39	41	--
Goss	41	90	56	56	78	41	44	--
Hubbard	79	87	63	57	58	43	29	--
Mayfair	58	71	48	62	67	43	31	--
McCollam	253	81	61	57	72	42	46	02
Meyer	82	79	70	68	73	33	51	--
Miller	31	84	68	61	74	52	55	--
(Total Voucher)	(1,218)	(80)	(58)	(57)	(67)	(42)	(43)	(.1)
Linda Vista	46	72	59	46	46	41	28	02
Lyndale	64	88	56	61	66	55	47	02
Ocala	53	77	49	45	64	47	45	02
Painter	59	71	58	47	78	54	31	--
Rogers	72	82	64	63	79	44	53	--
Ryan	34	85	50	59	62	44	53	--
Shields	34	82	94	79	71	65	44	--
Slonaker	34	85	62	62	65	32	59	--
(Total Non-voucher)	(419)	(80)	(62)	(57)	(68)	(47)	(46)	(01)
All Schools Total	1,654	74**	59**	57	67**	43	43	.8

Note: 1) Mathson, Pala, George and San Antonio had no response.

2) Fischer, Sheppard, Cureton and Central Staff had less than 25 responses and are not listed individually; however, they are included in the total figures.

** Indicates greatest percentage preference.

6. How should information about school programs and their effectiveness be given to parents?
(Please check as many as you like.)

**6a. Sent home by mail.

6b. Delivered personally by school employees.

**6c. Sent home with children.

6d. Presented at meetings at the school.

Responses From:	Number of Questionnaires Tabulated	Percentage of Parents Choosing Each Response			
		6a	6b	6c	6d
Arbuckle	131	66	09	50	12
Cassell	241	76	16	44	29
Conniff	145	47	11	55	27
Dorsa	140	60	16	44	29
Goss	41	73	20	49	22
Hubbard	79	63	08	47	29
Mayfair	58	71	12	48	28
McCollam	253	66	10	50	52
Meyer	82	73	21	46	26
Miller	31	52	03	48	29
(Total Voucher)	(1,218)	(66)	(13)	(48)	(31)
Linda Vista	46	67	07	52	30
Lyndale	64	61	05	44	27
Ocala	53	62	13	40	42
Painter	59	51	22	42	29
Rogers	72	57	15	50	35
Ryan	34	59	03	50	41
Shields	34	71	15	74	18
Slonaker	34	85	24	53	21
(Total Non-voucher)	(419)	(62)	(12)	(49)	(31)
All Schools Total	1,654	65**	12	48**	31

Note: 1) Mathson, Pala, George and San Antonio had no response.

2) Fischer, Sheppard, Cureton and Central Staff had less than 25 responses and are not listed individually; however, they are included in the total figures.

** Indicates greatest percentage preference.

7. How should you help in making educational decisions? (Check as many as you like.)

**7a. by choosing your child's school program.

By participating in an advisory board at:

7b. the mini-school level; **7c. the school level; 7d. the district level.

Responses From:	Number of Questionnaires Tabulated	Percentage of Parents Choosing Each Response			
		7a	7b	7c	7d
Arbuckle	131	64	47	38	27
Cassell	241	81	35	37	27
Conniff	145	61	22	35	20
Dorsa	140	61	29	31	15
Goss	41	66	17	29	12
Hubbard	79	62	27	29	13
Mayfair	58	83	26	26	16
McCollam	253	68	30	40	18
Meyer	82	73	29	45	23
Miller	31	65	29	42	32
(Total Voucher)	(1,218)	(68)	(31)	(36)	(21)
Linda Vista	46	57	07	30	11
Lyndale	64	63	13	34	22
Ocala	53	40	15	60	23
Painter	59	42	22	37	24
Rogers	72	39	18	49	26
Ryan	34	44	15	56	24
Shields	34	65	12	47	24
Slonaker	34	59	09	47	29
(Total Non-voucher)	(419)	(50)	(15)	(45)	(23)
All Schools Total	1,654	63**	27	38**	21

Note: 1) Mathson, Pala, George and San Antonio had no response.

2) Fischer, Sheppard, Cureton and Central Staff had less than 25 responses and are not listed individually; however, they are included in the total figures.

** Indicates greatest percentage preference.

8. Do you think that most decisions about the schools should be made by the District Office or by each individual school? (Please check one.)

8a. Decisions made by District Office

**8b. Decisions made by individual schools.

Responses From:	Number of Questionnaires Tabulated	Percentage of Parents Choosing Each Response	
		8a	8b
Arbuckle	131	22	79
Cassell	241	21	73
Conniff	145	30	66
Dorsa	140	30	68
Goss	41	20	85
Hubbard	79	22	78
Mayfair	58	31	64
McCollam	253	21	75
Meyer	82	20	74
Miller	31	23	77
(Total Voucher)	(1,218)	(24)	(72)
Linda Vista	46	20	70
Lyndale	64	28	72
Ocala	53	15	74
Painter	59	27	71
Rogers	72	18	81
Ryan	34	15	76
Shields	34	21	76
Slonaker	34	26	74
(Total Non-voucher)	(419)	(21)	(74)
All Schools Total	1,654	23	73**

Note: 1) Mathson, Pala, George and San Antonio had no response.

2) Fischer, Sheppard, Cureton and Central Staff had less than 25 responses and are not listed individually; however, they are included in the total figures.

** Indicates greatest percentage preference.

9. There are two ways to decide how much money each school should receive. Which one do you prefer? (Please check one.)
- 9a. Figure out how much the District spends on each child in the district (on an average) and award each child's share to the school which he or she attends.
- **9b. Allow school and District staff members to decide how much money each school needs to run its program (within the limits of the District's income).

Responses From:	Number of Questionnaires Tabulated	<u>Percentage of Parents Choosing Each Response</u>	
		9a	9b
Arbuckle	131	42	60
Cassell	241	50	43
Conniff	145	37	63
Dorsa	140	48	49
Goss	41	39	61
Hubbard	79	56	42
Mayfair	58	50	47
McCollam	253	49	45
Meyer	82	54	43
Miller	31	71	29
(Total Voucher)	(1,218)	(48)	(48)
Linda Vista	46	43	43
Lyndale	64	47	53
Ocala	53	13	77
Painter	59	41	49
Rogers	72	56	43
Ryan	34	65	29
Shields	34	53	44
Slonaker	34	47	47
(Total Non-voucher)	(419)	(46)	(49)
All Schools Total	1,654	47	48**

Note: 1) Mathson, Pala, George and San Antonio had no response.

2) Fischer, Sheppard, Cureton and Central Staff had less than 25 responses and are not listed individually; however, they are included in the total figures.

** Indicates greatest percentage preference.



THE VOUCHER PROJECT

ALUM ROCK UNION ELEMENTARY SCHOOL DISTRICT
2930 GAY AVE., SAN JOSE, CA. 95127 (408) 258-4923



January 5, 1976

To: Board of Trustees

From: EVAC

Subject: Recommendations on the Future of Vouchers in Alum Rock

Attached for your information and consideration are the recommendations from EVAC and the results of the Parent Survey which were made for you at EVAC's request.

The concept of parental choice has been accepted throughout the school community as indicated in the survey. In order to equalize educational opportunities for all Alum Rock children, we recommend that the attached concepts of the voucher model be made available to every school in the district.

We strongly recommend that you, as the Board of Trustees, will continue to expand the alternative education concept with parental choice to every school in the district.

After the Board has made its final policy decisions in these areas, EVAC offers its services to the Board to help to develop the detailed policies and procedures to implement these decisions.

BOARD OF TRUSTEES

EDWARD R. HOSANNO, President
ROBERT E. BARNES II, Clerk
GERHARDI PAST, DDS
TOM A. MARTINEZ
MARJORIE H. NAYE

WILLIAM J. JEFFERSON, S.D.D.
Superintendent

WALTER J. BYMINS, S.D.D.
Deputy Superintendent

JAN KIM-SHURY
Assistant Superintendent
Special Services

D. KEITH GREENBREAD
Assistant Superintendent
Business Services

SPENCY L. PARSONS
Assistant Superintendent
State and Federal Projects

BILL LARAMELLO
Assistant Superintendent
For Personnel

DELEWIS
Assistant Superintendent
School Community Relations

EVAC's RECOMMENDATIONS ON THE FUTURE OF VOUCHERS IN ALUM ROCK

1. Alternative Education - There should be different educational programs with a single, uniform record keeping system for skills development for each child throughout the district such as the *Wisconsin Design (for reading skills) and *Development Math Process (for math skills). This will be a reporting system for a skills continuum record only and not a normative expectation for any individual child.

EVAC voted: For - 16; Against - 0; Abstentions - 0.

2. Open Enrollment - There should be open enrollment within the neighborhood school building's alternative educational program with the option of intra-district transfers. Neighborhood boundaries need to be re-set according to the realities of current residential patterns.

EVAC voted: For - 14; Against - 0; Abstentions - 4.

3. Transportation - If parents desire to attend a non-neighborhood school, the Alum Rock Union School District should be responsible for providing transportation.

EVAC voted: For - 15; Against - 3; Abstentions - 0.

4. Voucher Budgeting - State and District funds (basic and compensatory) should be allocated equally to each child in the district. There is no way to channel funds to EDY children without public labeling.

EVAC voted: For - 13; Against - 2; Abstentions - 2.

5. Mini-schools - If a school chooses to achieve alternative education through mini-schools, the mini-schools should have control of alternative programs, curriculum, budget, and the option of having advisory boards or not. The size of the mini-schools should be fixed in advance by the following procedure: parent choices for enrollment should be made in May with mini-school size projected according to building capacity by the first Monday in June.

EVAC voted: For - 19; Against - 0; Abstentions - 0.

6. Transfers - Transfers during the school year between alternative programs should be granted only after conference with parents, child, teachers, and principal.

EVAC voted: For - 18; Against - 0; Abstentions - 0.

7. Information to Parents -

- a. An information packet of alternative program descriptions in the neighborhood school should be given to the parents by the teacher at the spring parent/teacher conference.

* These specific systems are not recommendations; they are only examples.

7. Information to Parents - continued

The information packet should include:

- 1) a description of the school and its alternative programs;
 - 2) the goals of the alternative programs (where the programs should lead the students);
 - 3) implementation (how to meet the goals, the methods of teaching, e.g. team teaching, "progressive learning", etc.).
- b. An enrollment form should be mailed to parents the last week in April.
- c. Student growth scores by alternative programs, when available, should be mailed separately to parents.

EVAC voted: For - 16; Against - 1; Abstentions - 0.

8. Parent Involvement - Parental involvement should be at both school and district levels by such representative organizations as ABCS, DAC, School-house Planning, etc. An on-going district-wide advisory committee of parents and teachers, such as EVAC, should be established to deal with the broad educational issues of the district as a whole and to serve as a liaison between the Board of Trustees and the individual schools.

EVAC voted: For - 18; Against - 0; Abstentions - 0.

9. Evaluation - Only evaluations which are necessary to meet the criteria of compensatory funding should be kept.

EVAC voted: For - 17; Against - 0; Abstentions - 0.

10. Decentralization - There should be shared responsibility between the central office and the schools which are providing alternative programs. A uniform records system of a skills continuum for individual children should be developed and mandated from the central office for compulsory use in all schools. Alternative programs, curriculum and materials, and budget management should be decentralized.

EVAC voted: For - 16; Against - 1; Abstentions - 1.

Appendix B

PROCEDURES FOR ALLOCATING BASIC AND COMPENSATORY FUNDS

ALUM ROCK UNION ELEMENTARY SCHOOL DISTRICT

January 21, 1976

TO: Dr. Symons
CC: Administrative Staff
FROM: Eugene J. Gutierrez, Controller
RE: Per pupilization of Resources (1976-77)

The Budget Committee recommendations regarding per pupilization of administrative and auxiliary services is the product of extensive deliberation to understand the complex budgetary and staffing issues involved.

I feel it important to stress the positive outcomes which can result from such a per pupilization plan. One important outcome is the equalization of resources per pupil and the consequent elimination of small school subsidies. Another is the provision that each building be given maximum choice in selecting the mix of services which best suits its constituency. Finally, the recommendation provides a continuing, orderly process for staff reductions which are necessary with declining enrollment.

The recommended plan also advocates central budgets which are a function of enrollment consistent with building budgeting.

ALUM ROCK UNION ELEMENTARY SCHOOL DISTRICT

January 21, 1976

TO: Dr. Symons
CC: Administrative Staff
FROM: Budget Committee
RE: Minutes of January 19, 1976 Meeting

The following recommendations are submitted for review and approval:

A. Per Pupilization of Resources 1976-77

1. Definition: All administrative and auxiliary services at the schools will be allocated on a per pupil basis to ensure more equal distribution of resources and to eliminate small school subsidies. The services to be exempted are speech therapists and 4.5 FTE * psychologists; the former because of their special funding mechanism, the latter because of their requirement by the special education programs.

2. Baseline: a) The K-6 basic program certificated services allotment per pupil will be derived by summing the 1975-76 full time equivalent of the following K-6 school services and dividing by the K-6 enrollment at the end of December, 1975.

- Principals
- Music Teachers
- Resource Teachers
- Coordinators
- Psychologists
- Nurses

b) The K-6 basic program classified services allotment per pupil will be derived by the same method based on the FTE's of the following K-6 services.

- Secretaries
- Clerks
- Custodians

c) The corresponding allotments for the 6-8 buildings will be derived by the same mechanics based on the sum of the following basic program services.

- Certificated Services
 - Principals
 - Assistant Principals
 - Librarians
 - Music Teachers
 - Resource Teachers
 - Coordinators
 - Psychologists

8. Special Subsidies

If a program manager feels that the normal per pupil allotment is inadequate to cover his program's unique problems, he may request a special subsidy. Requests for special subsidies will be reviewed by the Budget Committee. The Budget Committee will make its recommendation to the Superintendent with copies to the Administrative Staff.

9. Implementation Calendar

In order to implement this recommended procedure in 1976-77, the following calendar would have to be closely observed.

February 1	-	Estimate of 1976-77 Categorical Funding due
February 11	-	Regular Board Meeting
February 15	-	Completion of 1976-77 loading estimate
February 15	-	Conclusion Required from negotiations
February 20	-	Publication of School FTE Allotments
February 20	-	Building managers submit categorical "buyup"
February 25	-	Special Board Meeting
February 25	-	Building managers submit slate of services desired
March 1	-	Administrator notification of reassignment, etc.
March 11	-	Regular Board Meeting
March 15	-	Certificated personnel notification of reassignment, etc.

B. Consolidated Comp Funding Carryover

All voucher and Title I carryover monies in Program 580 will be allocated the following year to all schools on an EDY basis as part of the next years consolidated pot. The only exception being that schools with school-specific carryover such as ECE will receive carryover only after the carryover going to the other schools equals the school-specific carryover level.

C. Next Meeting

January 29, 1976, 3 p.m. (following Administrative Staff Meeting)

- Nurses
- Counselors
- Classified Services
 - Secretaries
 - Clerks
 - Custodians

3. Total School Entitlement

Each school will receive the certificated and classified full-time equivalents derived by multiplying its projected 1976-77 enrollment times its appropriate K-6 or 6-8 certificated and classified per pupil entitlement respectively.

4. Selection of School Services

The Superintendent with approval of the Board will determine whether or not each school will have a principal and will make the corresponding assignment of principals. Each principal will solicit input from his staff and community relative to the optimum mix of services required by their school; he will consider the input and make the final decision.

Example: A middle school which is entitled to 4.5 FTE certificated services and 3.0 FTE classified services might be staffed as follows:

1.0 FTE Principal	(Board/Superintendent's decision)
1.0 FTE Vice Principal	(Principal's decision)
1.0 FTE Music Teacher	(Principal's decision)
1.5 FTE Nurse	(Principal's decision)
1.0 FTE Secretary	(Principal's decision)
2.0 FTE Custodians	(Principal's decision)

5. Assistant Principals

If a middle school chooses to use more than one basic funded Assistant Principal, it may do so by giving up 1.40 certificated FTE's. The 40% premium recognizes the salary difference between Assistant Principals and the average certificated salary.

If an elementary school wishes to have one or more Assistant Principals from basic funds, it may do so by giving up 1.40 certificated FTE's for each Assistant Principal used.

6. Emphasis on Full time Equivalents

This procedure must not be thought of as equalization of dollars per pupil but strictly as equalization of resources per pupil. A school does not have the option of taking the dollar equivalent of a resource.

7. Central Office Budgets

A per pupil basic program dollar amount should be determined for the sum of all centralized budgets which are funded from the basic income. The sum of the basic program budgets at the central office will be limited to the product of the central office per pupil allotment times the projected enrollment for the district.

ALUM ROCK UNION ELEMENTARY SCHOOL DISTRICT

August 19, 1975

To: All Building Managers

From: W. Keith Cakebread/Eugene J. Gutierrez

Re: Income/Outgo Budgeting

- A. Task: To revert to income/outgo budgeting by establishing a basic voucher and setting up the mechanism whereby the basic vouchers "follow the students."
- B. Basic Voucher Determination: The value of the basic voucher will be calculated as follows:
 1. K-6 grades: Summarize the K-6 basic program expenditure budgets in the district and divide the sum by the K-6 ADE.
 2. 7-8 grades: Summarize the 7-8 basic program expenditure budgets in the district and divide the sum by the 7-8 ADE.
- C. Loading/staffing: Loading will be controlled and limited by the number of teachers already under contract. One school may add a teacher only if there is a surplus teacher available elsewhere in the district.

Alternatives for Discussion

1. Normal Income/Outgo Budget:

A school which loses students below its mandated minimum level must either release a teacher or pay the salary deficit from its discretionary funds. To the extent that a school is unable to release a teacher or cover the salary deficit after exhausting all of its applicable discretionary funds, the districts "teacher salary contingency" fund would pick up the remaining liability.

Note: The "teacher salary contingency" fund would be generated by reducing the comp voucher portion of the consolidated compensatory voucher pool. The size of this fund is being determined.

OR

2. Traditional Loading and Voucher Income/Outgo:

Non-voucher schools will have centralized loading control with

- J. Income/Outgo Budget Format: The 1975/76 income/outgo budget will be identical to the "Expenditure Summary" section of the 1974/75 Income/Outgo Budget; it will not have an income section. Intra-budget transfers will deal with expenditure accounts only.

Changes in ADE and Voucher income will be reflected in an "I/O Net Reserve" account within the basic and consolidated Comp. Ed. Programs respectively (see attached example).

WKC:ds
EJG:

attachments

ALUM ROCK UNION ELEMENTARY SCHOOL DISTRICT

Teacher/Pupil Loading Control Procedures

August 14, 1975

1. School average shall be no less than thirty pupils per teacher for a year's period of time.
2. No primary class will average (over a seven month period) more than thirty-two pupils per teacher.
3. Attendance office will collect enrollment data daily during the first week of school via telephone calls to school secretaries. In addition, Monday and Friday enrollment reports will be collected for the first full month. This data will be summarized for the Assistant Superintendent of Business Services who will distribute this information to principals. Schools with an average of 29 or less will require principal/Assistant Superintendent conference to formulate an action plan to resolve the problem. The Assistant Superintendent of Personnel will meet with the principal to consider implementation of the teacher transfer policy.
4. Transfer of teachers and/or pupils will be in operation no later than two weeks from the verification of being overstaffed.
5. Transfers of teacher and/or pupils will not leave the school average in excess 32 to one.
6. A school average monthly enrollment report will be distributed monthly to all principals and Superintendent's staff.
7. The same rules prevail for middle schools except that the minimum is 26 and the maximum is 28.
8. In addition to the monitoring system, described above schools will monitor loading through the income-outgo budgets where additional basic income will be gained by being above average or penalties will be felt for low averages.

40300 001
MIN 00.

INCOME/OUTGO BUDGET
SITE EXPENDITURE

FUND 10
Reporting Period
3-1-76 thru 3-30-76

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	APPROVED BUDGET	YEAR-TO-DATE BUDGET	ADJUSTMENT THIS MONTH	THIS MONTH EXPENDED	THIS MONTH ENCUMBERED	YEAR TO DATE EXPENDED	YEAR TO DATE ENCUMBERED	UNENCUMBERED BALANCE
PROGRAM 181 SELF CONTAINED REGULAR									
1110	REG CLASSROOM TEACHERS	42,909.00	51,748.00	0.00	5,174.80	5,174.80	25,874.00	25,874.00	0.00
1210	PRINCIPALS SALARIES	3,640.00	3,375.00	0.00	281.22	281.22	1,968.54	1,406.46	0.00
2110	INSTRUCTIONAL AIDES	0.00	5,427.00	0.00	626.40	626.40	1,922.70	3,504.30	0.00
2310	CLASS SAL OF ADMIN	1,465.00	1,019.20	0.00	101.92	101.92	509.60	509.60	0.00
2410	CLASS SAL OF OPERATIONS	2,309.00	1,769.63	0.00	180.64	180.64	1,147.41	622.20	0.00
4310	CURRICULUM VOUCHER	90.00	90.00	0.00	0.00	0.00	0.00	0.00	90.00
4315	OTHER EXP OF INSTRU	6,764.00	771.00	0.00	71.23	0.00	299.70	0.00	471.30
7900	1-0 RESERVE (NET)	0.00	142.00	142.00	0.00	0.00	0.00	0.00	
PROGRAM TOTAL		57,177.00	64,371.83	142.00	6,293.75	6,364.98	31,721.97	31,916.56	703.30
INCOME			1,200.00	700.00					

ALUM ROCK
UNION ELEMENTARY SCHOOL DISTRICT
2930 GAY AVENUE
SAN JOSE CALIFORNIA 95127
408 258 4923

November 21, 1975

To: David Mandel
cc: Superintendent's Staff
From: Eugene J. Gutierrez
Re: Procedure for Determining Per Pupil Com-
pensatory Entitlements for October and
January Adjustments

Attached is the detailed description of
the mechanics used to adjust categorical monies
as of October, 1975.

These procedures are as described to you
on 11/20/75 by Joel via telephone. Please
call me if you have any questions regarding
this matter.

EJG:djs

ALUM ROCK UNION ELEMENTARY SCHOOL DISTRICT

November 21, 1975

Procedure for Determining Per-pupil Compensatory
Entitlements for October and January Adjustments

1. Our starting point is that each EDY pupil in K-6 will receive \$301 in compensatory funds, which is the amount which was used in last spring's projections.
2. Start with the entire compensatory pool. Subtract the following numbers:
 - a) central costs
 - b) mandated allocations for non-EDY pupils (ECE, etc.)
 - c) number of K-6 EDY pupils time \$301.

The remainder is available for middle schools.

3. Since Mathson's revised EDY count brings its entitlement below the 85% guaranteed level, we must subtract 85% of Mathson's original projected entitlement from the total middle school pot and give that 85% to Mathson. The remainder of the pot is available for 7-8 grade EDY pupils who do not attend Mathson.
4. We must determine the number of 7-8 grade EDY pupils in the District, and subtract from this figure the number of 7-8 grade EDY pupils at Mathson (since they have already received their entitlement).
5. Then the remaining middle school pot determined in Step #3 must be divided by the number of 7-8 grade, non-Mathson EDY pupils determined in Step #4 to calculate the 7-8 grade EDY entitlement per pupil.
6. In the event that this per-pupil 7-8 grade amount is greater than \$150.50 (50% of the K-6 figure of \$301) the 7-8 grade figure must be reduced to \$150.50 per pupil. Any remaining funds would then be distributed to the Pre-school program.
7. Each school will then receive 95% of its total entitlement as determined by the above calculations.
8. The remaining 5% will be held in reserve for the January adjustment.
9. In January, this process will be repeated, and the school entitlements determined at that time will be distributed at the 100% level.



ALUM ROCK UNION ELEMENTARY SCHOOL DISTRICT

BOARD OF TRUSTEES

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ROBERT E. SANKS III, Clerk
BERNARD L. PASST, D.D.S.
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2830 GAY AVENUE • (408) 258-4923 • SAN JOSE, CALIFORNIA 95127

May 16, 1975

WILLIAM J. JEFFERS, ED.D.
Superintendent

WALTER J. EYMORS, ED.D.
Deputy Superintendent

JACK KINGSBURY
Assistant Superintendent
Special Services

W. KEITH CAKEBREAD
Assistant Superintendent
Business Services

ERNEST J. PARAMO
Assistant Superintendent
State and Federal Projects

RAUL JARAMILLO
Assistant Superintendent
for Personnel

ED LEWIS
Director
School-Community Relations

TO: Principals
FROM: Business Office, State and Federal Projects
RE: Compensatory Budgets

Attached you will find the following:

1. Revised Consolidated Compensatory Fund Policies
2. School allocation for Compensatory Funds
3. Summary of Compensatory Fund allocation
4. Compensatory Funds Budget Form
5. Categorical Salary Roster

You are requested to review these items so that you may complete the Budget Form. You should call Gene Gutierrez's office for an appointment to complete the Budget during the week of May 19-23.

The Salary Roster will be difficult with the lay-off and other unknowns. We request that you make your best estimates, and bring this information for the Budget discussion.

WKC:vg

Enclosures

ALUM ROCK UNION ELEMENTARY SCHOOL DISTRICT

Allocation of Compensatory Fund

Policy #1: Compensatory funds shall be allocated on a per eligible pupil basis.

Procedures:

- The per pupil entitlement for eligible pupils shall be consistent with minimum and maximum levels stipulated in State and Federal Guidelines. Proposed policy #6 offers more detail.

Policy #2: All compensatory funds that are legally available will be allocated on a consolidated basis.

Procedures:

- A single set of expenditure guidelines will be developed for all compensatory funds.
- Comparability will be defined by comparing the funding for individual disadvantaged pupils to funding of other pupils. This definition is contrasted to the present system of defining comparability on a school basis.
- We believe that this revised definition is more effective in meeting the objectives of compensatory education.

Planning Procedure:

- Each school will be required to submit a comprehensive plan to the D.A.C. describing its goals, objectives, projected compensatory budget, and evaluation plans. D.A.C. will certify that these plans have been developed on the basis of criteria established by the ARUSD; these guidelines will be drawn up to reflect the state's objective of utilizing compensatory funds to meet the needs of EDY. Furthermore, each school's plan must be developed with community participation as specified in the state's guidelines for consolidated applications.

Policy #3: Budgets will be adjusted twice during the year, using the latest enrollment figures.

Procedures:

- In the Spring, the EDY entitlement of each school will be projected for the coming year. School budgets will be established by taking 85% of this figure and distributing it to the schools. At the end of January the remaining funds will be distributed to reflect the actual cumulative EDY enrollment as of the end of the January attendance reporting period.

Proposal for Per Pupil Allocation of Compensatory Fund
Page 2

Policy #4: The scope for distribution of compensatory funds will include all grade levels, including special education. Preschool funds shall not be included in the "pool" (since this is their basic income), but they should share in the other compensatory funding.

Policy #5: The amount of per pupil funding will be equal for all grade levels with the following exceptions to be funded at a reduced rate:

- K-6 pupils will be funded at minimum level
- If funds remain, seventh and eighth grade EDY pupils will be funded at 50% of the minimum level
- If funds remain, preschool EDY pupils will be funded at 40% of the minimum level
- If funds remain, special education EDY pupils will be funded at 25% of the minimum level
- In the event that there are insufficient funds to cover a category at the specified percentage, funding in that category will be allocated on a priority basis according to percentage of EDY.

Policy #6: Distribution to the schools shall be on the basis of one criterion. The basic criterion for distribution shall be on an EDY basis.

Procedure:

- EDY children will be defined as all those scoring below a fixed percentile on the Metropolitan Achievement Test in reading. The percentile will be less than or equal to 50%. The actual percentile will be determined by the following procedure:
 - a. Divide the total compensatory pool (C.P.) by the minimum level (M.L.) of compensatory funding per pupil to determine the number of pupils that can be covered.
 - b. Determine the percentile level that has this number of pupils below it.
 - c. Set this percentile as the definition for EDY, provided that this level is less than 50%.

PROPOSED CRITERIA FOR DAC TO USE IN APPROVING SCHOOL PLANS

1. All plans shall be subject to SB-90 criteria.
2. State Assessment Teams are invited to evaluate the progress of any school receiving categorical funding in terms of the goals and objectives of that school as certified by the D.A.C.

The following is a summary list of the criteria contained in current SB-90 regulations:

1. Comprehensive Plan - A-127S component requirements:

- Reading
- Language Development
- Mathematics
- Staff Development
- Parent Participation and Community Involvement
- Multicultural Education
- Bilingual/Crosscultural Education
- Health/Auxiliary Services

A-127S Optional Components:

- Parent Education
- Other Curriculum

2. Needs Assessment
3. Goals, Objectives and Activities
4. Management System (auditable record of plan implementation)

Some criticism has been voiced regarding the present management system.

5. Evaluation Design
6. Individualization of Instruction
7. Multicultural Education
8. Fiscal and Technical Requirements:
 - Budget
 - Capitol outlay and justification

Consolidated Categorical Funding Plan
School Allocations 1975/76

SCHOOL	K-6 Entitlement	7-8 Entitlement	NON EDY Entitlement	TOTAL Entitlement
	300,258			
ARBUCKLE	121,905			121,905
CASELL	172,949		13,160	186,109
CONNIFF	90,978			90,978
CURETON	84,673			84,673
DORSA	155,834			155,834
FISCHER	35,731	72,982		108,713
GEORGE	12,311	32,280		44,591
GOSS	135,116	8,187		143,303
HUBBARD	139,320			139,320
LINDA VISTA	125,508		15,260	140,768
LYNDALE	127,910			127,910
MATHSON	55,848	59,181		115,029
MAYFAIR	160,939		9,380	170,319
MCCOLLAM	133,315			133,315
MEYER	169,045			169,045
MILLER	134,516			134,516
OCALA	39,634	30,994		70,628
PAINTER	58,550		7,420	65,970
PALA	39,034	44,327		83,361
ROGERS	108,694			108,694
RYAN	99,085		11,340	110,425
SAN ANTONIO	93,681		6,721	100,402
SHEPPARD	48,342	60,233		108,575
SHIELDS	111,396		7,288	118,684
SLONAKER	115,600		7,420	123,020
M. H. T.	5,705	1,170		6,875
S. J. V.	4,804	1,520		6,324
TOTAL	2,580,423	310,874	77,989	2,969,286

5-15-75

VS:vg

CATEGORICAL FUNDING PLAN
1975-76

	<u>SCHOOLS</u>	<u>IND COSTS</u>	<u>EVALUATION</u>	<u>DIR ADMIN</u>	<u>TOTAL</u>
ECE (exp)	108,192	4,007	4,007	17,364	133,570
ECE (Con't)	121,467	4,499	4,499	19,495	149,960
Title I (c/o)	151,200	-0-	5,400	23,400	180,000
Title I (A)	648,000	42,720	24,000	85,280	800,000
Title II (c/o)	23,374	-0-	-0-	7,791	31,165
Title II (Ph 1)	11,687	-0-	-0-	3,896	15,583
Title IV (B)	11,687	-0-	-0-	3,896	15,583
Voucher	800,000	64,000	90,000	257,173	1,171,173
Bilingual	53,766	1,991	1,991	8,628	66,376
SB 90 (ch 6.10)	932,651	34,543	34,543	149,685	1,151,422
Miller-Unruh (T)	88,362	-0-	-0-	-0-	88,362
Miller-Unruh (A)	18,900	-0-	-0-	-0-	18,900
	<u>2,969,286</u>	<u>151,760</u>	<u>124,440</u>	<u>576,608</u>	<u>3,822,094</u>
Amount for K-6 EDY			2,569,914		
Amount for 7-8 EDY			308,184		
Amount for Non EDY			77,989		
Amount for Non Public 1-6			10,509		
Amount for Non Public 7-8			<u>2,690</u>		
Total for schools					<u>2,969,286</u>
Amount for indirect costs		151,760			
Amount for evaluation			124,440		
Amount for direct administration			<u>576,608</u>		
Total Centralized Service					<u>852,808</u>
			GRAND TOTAL		<u>3,822,094</u>

NOTE: Mr. Paramo's office has applications for a possible \$1,080,000 addition.
- ESAA, Right to Read, Title VII Bilingual

5-15-75

VS:vg

FY 75-76 PROJECTED ENROLLMENT AND EDY

SCHOOL

	K-6	% EDY	# EDY		7-8	% EDY	# EDY
ARBuckle	537	75.62	406				
CASSELL	736	78.32	576				
CONIFF	393	77.16	303				
CURETON	390	72.20	282				
DORSA	600	86.46	519				
FISCHER	138	86.06	119		712	87.60	624
GEORGE	53	78.00	41		378	73.08	276
GOSS	540	83.29	450		78	90.00	70
HUBBARD	597	77.69	464				
LINDA VISTA	613	68.25	418				
LYNDALE	557	76.41	426				
MATHSON	201	92.37	186		534	94.75	506
MAYFAIR	631	84.91	536				
McCOLLAM	570	77.91	444				
MEYER	690	81.60	563				
MILLER	510	87.88	448				
OCALA	163	80.77	132		316	83.84	265
PAINTER	269	72.41	195				
PALA	158	82.12	130		462	82.02	379
ROGERS	579	62.47	362				
RYAN	471	70.11	330				
SAN ANTONIO	415	75.19	312				
SHEPPARD	193	83.58	161		584	88.23	515
WHEELS	510	72.78	371				
SLONAKER	468	82.19	385				
	10,982		8,559		3,064		2,635
M.H.T.			19				10
S.J.V.			16				13

8,594

2,658

5-15-75

VS:vg

1975-76 CATEGORICAL SALARY ROSTER

SCHOOL NAME	. MINI	PROGRAM
-------------	--------	---------

[illegible]

Submitted by _____ Date _____ Approved by _____ Date _____

*Full Time Equivalent for hourly employees is determined by dividing number of hours worked daily by 8.

5-16-75

VS:vg

ALLOCATION OF CATEGORICAL COMPENSATORY FUNDS

The committee developed the following policy statements as guides for allocating compensatory monies in 1976-77 and later. Members of the Administrative Staff are invited to input to the Budget Committee prior to finalization as a recommendation to the Superintendent.

1. Compensatory funds will be consolidated with the following exceptions:

- a. Grants which are made after September 1 will accrue to the grant writing school(s) for the initial year; thereafter, such grants will be consolidated barring conflict with exception #b, below.
- b. Grants which cannot be converted to SB-90 groundrules via waivers will remain outside of the consolidated pool. Such grants will be restricted to the grantee school (s).

On February 1, the Budget Committee will determine the preliminary consolidated pool for the next budget year; the final pool will be determined by September 1 of the project year. Both the preliminary and final consolidated pools will be determined according to this policy.

2. The budget will be setup on the basis of:

- a. Projected enrollment.
- b. Q_1 and Q_2 percentages based on the previous fall testing.
- c. 85% of the preliminary school consolidated compensatory fund pool.

3. School entitlements will be adjusted only once during the year; the adjustment will be based on:

- a. Enrollment at the end of the fourth attendance period (December).
- b. Q_1 and Q_2 percentages based on the project year Fall testing.
- c. 95% of the final school consolidated compensatory fund pool.

NOTE: 5% will be retained for use as EDY reduction incentive. See policy #5.

4. The critical mass of funds will be allocated at the minimum mandated level for all regular Q_1 students; all Q_2 students will be funded at one-half of the Q_1 funding.

- a. Q_1 students are defined as the percentage of regular 2-8 students attaining at or below the 25 percentile level in total reading on the standardized achievement test. This percentage will be applied to the total number of K-8 students enrolled in regular classes to determine the Q_1 number to be used as a base for distribution of funds.

b. Q_2 students are defined as the percentage of regular 2-8 students attaining above the 25 percentile and at or below the 50 percentile in total reading on the standardized achievement test. This percentage will be applied to the total number of students enrolled in regular K-8 classes to determine the Q_2 number to be used as a basis for distribution of funds.

5. There will be an incentive factor for consolidated schools demonstrating success in achieving educational growth.

- 5% of the school compensatory fund pool will be set aside for incentive payments to schools.
- the schools that show the greatest percent growth from pre-test to post-test will be awarded incentive money.
- the incentive funds will be awarded in two categories.
 1. Those schools achieving the greatest growth percentage change for Q_1 students.
 2. Those school achieving the greatest growth percentage change for Q_2 students.
- The incentive funds will be awarded for Q_1 winners as follows:

\$100 per Q_1 EDY to the first school
75 per Q_1 EDY to the second school
50 per Q_1 EDY to the third school
25 per Q_1 EDY to the fourth school

- The incentive funds will be awarded for Q_2 winners as follows:

\$ 50 per Q_2 EDY to the first school
38 per Q_2 EDY to the second school
26 per Q_2 EDY to the third school
14 per Q_2 EDY to the fourth school

6. General Premise - If these policy statements and procedures conflict in any way with NIE voucher regulations, the district will obtain the necessary waivers or discontinue its involvement in the voucher project.

Appendix C

ADMINISTRATIVE STAFF RECOMMENDATIONS ON VOUCHER PHASE-OUT

ALUM ROCK UNION ELEMENTARY SCHOOL DISTRICT

February 3, 1975

Summary of Voucher Phase-out Reports

At the administrative staff meeting of January 30, 1975, three sub-groups were formed to discuss various aspects of voucher phase-out. Two of these groups dealt with philosophical and policy issues; the third dealt with personnel issues.

Each group presented its recommendations to the entire administrative staff. It was agreed that these recommendations should be written up and distributed to be used as a basis for further discussion at the next administrative staff meeting. These summaries appear below.

A. Recommendations of Personnel Group

1. Recommend implementation of system of notification to employees regarding possible release. The following four categories are included:
 - a. Administrators
 - b. Teachers
 - c. Clericals
 - d. Aides
2. Recommend that a list of all categorically funded employees, listed by school, should be generated.

B. Recommendations of subgroup #1 on philosophical and policy questions

1. Mini-school Concept

We support the continuance of the mini-school concept; however, the decision of choice and design of mini-school or single school operation must remain with the individual building.

2. Budgetary units and ABCS's

The smallest budgetary unit must have a parent advisory board; however, the decision to budget at the mini-school level or building level remains at the individual building.

3. Funds following children

All non-discretionary basic program expenses should be budgeted and controlled centrally. All discretionary funds should be budgeted at the school's smallest budgetary unit in accordance with each school's decision on what that unit should be.

4. Student - Parent Choice

We support open-enrollment on a district-wide basis. We also recognize that implementation may generate substantial problems in view of transportation facilities, potential gas rationing, etc.

We recommend that procedures be established for staff review of parent choice if it appears that a particular parent choice may be dysfunctional to the student and/or school.

C. Recommendations of subgroup #2 on philosophical and policy questions

1. Mini-school concept -

- a- closely tied to parent choice and open enrollment
- b- can be continued without outside funding
- c- should be optional to continue mini-school structure. Mini-schools, open enrollment and parent choice are feasible concepts that could continue.

2. Open enrollment

- a- two possible definitions available
 - i) choice of any school or mini-school
 - ii) choice only of any mini-school within neighborhood school.
- b- transportation costs are partially paid by the state.

3. Nature of alternatives offered

- a- Many alternatives are redundant leading to "illusion of choice."
Each teacher should have the courage to make his/her classroom different than society and teacher training have encouraged.

4. Transportation

- a- need to know percentage of present voucher pupils attending non-neighborhood schools (answer: about 20% - ed.)

5. Ethnic balance

- a- concern expressed that open enrollment may lead to ethnic imbalance.

6. Parent involvement

- a- optional to continue
- b- policy 419 calls for school ABCS
- c- if mini-schools concept is retained, and if money flows to mini-schools, then mini-school ABCS should be retained.

7. Management style

- a- Problem for managers that they have lost decision-making power but are still held accountable for outcomes.

Maintaining sign-off authority lessens this problem.

- b- success of mini-school structure depends critically on initial motives of staff. If staff objective is a power play, then it won't work out well.
- c- staff must be willing to allow principal to promote growth and initiate change.

8. Names -

- a- The term "mini-school" should be changed to "program choice" so that non-voucher teachers' feelings about the voucher project will not set up unnecessary barriers.

PHASE OUT OF FEDERAL FINANCIAL SUPPORT
FOR VOUCHER DEMONSTRATION

I. MONEY ITEMS

1. Comp funding
 descretionary
 basic fund
2. Income-outgo
3. Contract services
4. Purchasing
5. In-service (O.T.)

II. PERSONNEL- CERTIFICATED

1. Excess staff
2. Asst. Principals
3. Administrative Assts.
4. Central Services
5. Support Personnel

III. PERSONNEL- CLASSIFIED

1. Excess staff
2. Aides
3. Clerks
4. Parent Counselors

IV. OPERATIONAL ITEMS

1. Transportation
2. Intra-district transfers
3. Loading
4. Attendance accounting
5. Evaluation & testing
6. School boundaries
7. Media
8. Facilities (Equip. maintenance
 curriculum)

V. ORGANIZATIONAL ITEMS

1. Sequoia (P.R.)
2. CEC
3. EVAC
4. PDC

VI. "PHILOSOPHICAL" CONCEPTS & POLICY
ITEMS

1. Mini-school concept
2. Student - Parent choice
3. Open enrollment
4. ABC's (Mini schools)
5. Management style (decision making)
6. Residual rights

Appendix D

SUPERINTENDENT'S RECOMMENDATIONS ON VOUCHER PHASE-OUT

ALUM ROCK UNION ELEMENTARY SCHOOL DISTRICT

2930 GAY AVENUE • (408) 258-4923 • SAN JOSE, CALIFORNIA 95127



BOARD OF TRUSTEES

EDWARD H. HOSHINE, President
MARJORIE H. HAVIS, Clerk
ROBERT E. BANKS, III
BERNARD L. PABST, DDS
TOM A. MARTINEZ
WALTER J. SYMONS, EDD
Superintendent

February 6, 1976

TO: The Board of Trustees of the
Alum Rock Union Elementary School District

FROM: Walter J. Symons
Superintendent

RE: Item #7.7 of Board Agenda - February 11, 1976
- Administrative Recommendations for Voucher Phase-Out

Dear Board Members:

We will be recommending that the Voucher Phase-Out Plan include a reduction of Mini-schools to be determined by staff and community using program results as a criteria.

WJS:em

ALUM ROCK UNION ELEMENTARY SCHOOL DISTRICT

THE ADMINISTRATION'S RECOMMENDATIONS ON VOUCHER PHASE OUT

APPROVED BY BOARD OF TRUSTEES 2/11/76

These recommendations represent the collective input from the Superintendent's Staff, building administrators and administrative task forces representing principals, directors, coordinators and assistant principals. Consideration was also seriously given to the recommendations of Voucher Principals to terminate the Voucher Contract, and the input from EVAC.

1. Alternative Education - Should different kinds of educational models be offered in the Alum Rock Schools, or should there be a single curriculum structure for all children in the district (except for children in special education programs)?

Recommendation - Alternative education should be encouraged in Alum Rock. Local schools should have the option of providing alternative education or not, in terms of pedagogy and methodology.

There should be a curriculum continuum in the sense of subject matter content and basic skills to be learned.

2. Open Enrollment - Should parents be allowed to choose educational programs for their children (a) within their neighborhood school?
(b) at any school in the district?

Recommendation - Each school should have the option of having open enrollment within that school. Open enrollment shall be permitted between schools within basic transportation budget constraints. Open enrollment for special education students must be contingent upon available class loads and location of programs in specific schools.

3. Transportation - Should the district provide transportation to non-neighborhood schools?

Recommendation - Yes, within basic transportation budgeting constraints.

4. Voucher Budgeting - (a) Should each school's basic program resources be set by multiplying the number of children in that school by the per-pupil cost of the district? (b) Should each school's compensatory budget be determined by multiplying the number of educationally disadvantaged pupils (EDY) in that school times a fixed compensatory amount for each eligible child?

Recommendation - Basic discretionary monies shall be allocated on a per pupil basis. The number of EDY pupils in each school would be determined by a special formula within State and Federal guidelines. Each school's consolidated compensatory budget would then be determined by multiplying the number of EDY pupils so determined by a designated compensatory amount per pupil.

ADMINISTRATION'S RECOMMENDATIONS ON
VOUCHER PHASE OUT

4. (Continued)

Mandated, non-discretionary basic program services would be provided on the basis of the number of pupils at each school. These services should be defined at three levels: elementary, middle school, and special services.

5. Mini-Schools - Should there be alternative programs within a school in terms of: (a) curriculum (b) budget (c) advisory boards (d) size (fixed in advance or variable until school starts)?

- Board rejected the mini-school mechanism.

6. Transfer - Should pupils be permitted to transfer during the year?

Recommendation - Transfer should be granted after a conference among parents, teacher(s), principal and child, subject to available space.

7. Parent Information - (a) What kind of information should the district provide to parents about the schools (b) How should this information be provided?

Recommendation - Program descriptions from each school (elementary and middle separately) should be compiled centrally and kept on file at each school for parent reference along with lay oriented evaluation data.

8. Parent Involvement - How should parents be involved in helping to make educational decisions? (a) at the school level, (ABCS, mini-school advisory boards, etc.) (b) at the district level (DAC, EVAC, school-house planning, etc.)

Recommendation - Each school should have only one Advisory Board that should be advisory to the principal and represent all interests of the school.

The district should have only one Advisory Board that should be advisory to the Superintendent and consist of representatives from each of the school Advisory Boards, with the exception of specific Federal and State guidelines.*

9. Evaluation - How should programs be evaluated?

Recommendation - Programs should be evaluated on the basis of acceptable educational growth for students participating in the program. Each program should be required to develop measurable goals and objectives and should submit a plan for evaluating itself.

*Underlined portion is modification by Board of Trustees at 2/11/76 meeting.

ADMINISTRATION'S RECOMMENDATIONS ON
VOUCHER PHASE OUT

10. Decentralization - Should decisions be made at the school level or the central level?

Recommendations - There should be shared responsibility between the central office and the schools which are providing alternative programs. A uniform records system of a skills continuum for individual children should be developed and mandated from the central office for compulsory use in all schools. Alternative programs, curriculum and materials, and budget management should be decentralized.

Appendix E

ALLOCATION OF COMPENSATORY FUNDS WITHIN THE DISTRICT

ALUM ROCK UNION ELEMENTARY SCHOOL DISTRICT

February 5, 1976

To: Dr. Symons, Superintendent
cc: Members of Administrative Staff
From: Budget Committee
Re: Add'l. Recommendations Stemming from Per Pupilization Discussions

A. Incentive for Mainstreaming Special Education Students

The Special Education override provides \$19,000 more revenue than is required to operate the programs (excluding the \$93,000 special ed. subsidy to middle schools which is to be eliminated). This \$19,000 should be used as an incentive fund to be allocated to all schools for mainstreaming special ed. students into regular programs.

Precedurally, an enrollment count of all mainstreamable students will be taken on December 1; this count will be divided into the \$19,000 fund to arrive at the amount available to all schools for each student mainstreamed during the year. Monies not allocated will revert to the general fund.

B. Transportation Study

The Superintendent should assign one of the Admin. staff committees to review our regular and special ed. transportation policies and practices. The purpose of the study is to determine the feasibility of reducing the district's contribution to transportation without decreasing student safety or increasing truancy.

C. Better Distribution of Special Ed. Classes

The process of redefining the school loading areas should attempt to distribute the special ed. classes more equally over all schools in the district. This will equalize any extraordinary administrative problems which may be posed by such classes thereby eliminating the need for special subsidies. To the extent that equal distribution is not possible because special facilities are not equally distributed, some problems may persist.

EJG:ds

ALUM ROCK UNION ELEMENTARY SCHOOL DISTRICT

February 5, 1976

TO: Dr. Symons
CC: Members of Administrative Staff and DAC Subcommittee
FROM: Budget Committee
RE: Compensatory Fund Allocation (Recommendations to the Superintendent)

Procedure #1: All compensatory funds which are part of the State's consolidated application and which do not require a separate application from an individual school will be consolidated. Conversely, the following will not be consolidated but will be restricted to the specific grantee school.

- a) Funds for demonstration projects.
- b) Grants which cannot be converted to SB-90 groundrules via waivers.
- c) Pre-school funds.
- d) Funds received for the first year of a grant which is new to the district. Expansion of existing grants do not qualify for exclusion from consolidation.

NOTE: In order to provide equal opportunity to all schools, the State and Federal Projects Office will apprise all schools of potential new grants. All interested schools will receive equal grant writing assistance.

Procedure #2: On February 1, the Budget Committee will determine the preliminary consolidated pool for the next budget year; the final pool will be determined by September 1 of the project year. Both the preliminary and final consolidated pools will be determined according to this policy.

The budget will be set up on the basis of:

- a) Projected enrollment
- b) Q_1 and Q_2 percentages based on the previous fall testing,
- c) 85% of the preliminary school consolidated compensatory fund pool (This will be the guaranteed funding level).

School entitlements will be adjusted only once during the year; the adjustment will be based on:

- a) Enrollment at the end of the fourth attendance period of the project year (December)
- b) Q_1 and Q_2 percentages based on the project year Fall testing
- c) 95% of the final school consolidated compensatory fund pool after a and b immediately above have been completed.

NOTE: 5% will be retained for use as EDY reduction incentive. See policy #5.

Procedure #3: The school consolidated funds shall be allocated to regular and MGM Q₁ and Q₂ students in grades K thru 8 in all schools. Q₁ and Q₂ populations will be identified as follows:

- a. Q₁ populations are determined by the percentage of MGM and regular K-8 students attaining at or below the 25 percentile level in total reading on the standardized achievement test. This percentage will be applied to the total number of K-8 students enrolled in MGM and regular classes to determine the Q₁ number to be used as a base for distribution of funds.
- b. Q₂ populations are determined by the percentage of MGM and regular K-8 students attaining above the 25 percentile and at or below the 50 percentile in total reading on the standardized achievement test. This percentage will be applied to the total number of students enrolled in MGM and regular K-8 classes to determine the Q₂ number to be used as a basis for distribution of funds.

Procedure #4: Q₁ students in all grades will be funded at twice the level of funding provided to Q₂ students. There will be no funding distinction between K-6 and 7-8 students.

Procedure #5: An incentive factor will be awarded to the schools which demonstrate the greatest success in achieving educational growth. Procedurally:

- a) 5% of the school consolidated fund pool will be set aside for incentive payments.
- b) The schools that achieve the greatest growth from pre-test to post-test will be awarded incentive money.

NOTE: "Growth" will be defined by using statistical methods which give equal credit for test score improvement at any point between zero and the fifty-first percentile. In other words, it will not overcompensate for quartile shifts.

- c) Ten incentive awards will be made according to the following schedule:

	<u>Q₁ Winner</u>	<u>Q₂ Winner</u>
1st Award	21% of Incentive Pool	11% of Incentive Pool
2nd Award	17% of Incentive Pool	9% of Incentive Pool
3rd Award	13% of Incentive Pool	7% of Incentive Pool
4th Award	9% of Incentive Pool	5% of Incentive Pool
5th Award	5% of Incentive Pool	3% of Incentive Pool
TOTAL	<u>65% of Incentive Pool</u>	<u>35% of Incentive Pool</u>

EJG:p
2/5/76

Appendix F

PARENT COUNSELOR SCHEDULE; PARENT INFORMATION PACKET

ON-GOING PARENT COUNSELOR WEEKLY SCHEDULE

October 7, 1974 - April 30, 1975

<u>DAY</u>	<u>TIME</u>	<u>LOCATION</u>	<u>ACTIVITIES</u>
<u>Monday</u>	8:00-12:00	Voucher Schools	a) Placement of new students b) Transfer of students c) Assist transportation (see attached sheet I) d) Home visits (school referrals) e) Classroom visitations
<u>Tuesday</u>	8:00-12:00	Parent Counselor Office, Schools and/ or Community	a) Parent Counselor service requests from schools b) Home visits c) Participate in VIP tours d) Classroom visitations
	8:00-10:00	*Parent Counselor Groups III & IV	a) Review for Parent meeting b) Phone parents re: meeting c) Home visits
	7:00-9:00pm	*Parent Counselor Groups I & II School Site	d) Parent Education Meeting (see attached sheet II)
<u>Wednesday</u>	8:00-12:00	" "	a) Parent Counselor service requests from schools b) Home visits c) Participate in VIP tours d) Classroom visitations
	8:00-10:00	*Parent Counselor Groups III & IV	a) Review for Parent meeting b) Phone Parents re: meeting c) Home visits
	7:00-9:00pm	School Site	d) Parent Education Meeting (see attached sheet II)
<u>Thursday</u>	8:00-10:00	Parent Counselor Office, Schools and/ or Community	a) Regular staff meeting with evaluation of parent education meeting b) Parent Counselor Groups not scheduled for evening meeting facilitation:
	Remaining 2 hours		1) Service Parent Counselor requests from schools 2) Home visits
	7:00-9:00	Parent Counselor Office	c) Parent Counselor Groups I, II, III, IV will alternate facilitation of General Voucher in- formation meeting for parents new to project

<u>DAY</u>	<u>TIME</u>	<u>LOCATION</u>	<u>ACTIVITIES</u>
<u>Friday</u>	8:00-10:00	Parent Counselor Office, Schools and/ or Community	a) Inservice re: preparation for parent meetings and/or any area pertinent to Parent Counselor role
	Remaining 2 hours	" "	b) Service Parent Counselor requests from schools
			c) Follow-up (see a) on Friday)
			d) Home Visits
			e) Follow-up home visits to new parents not in attendance at the Thursday evening

*Parent Counselors will be divided into four groups for parent meeting facilitation. Two Parent Counselor Groups will facilitate parents meetings on an alternate week schedule.

Weekly Schedule for May 1, 1975 - June 30, 1975

- 1) Parent Education meeting schedule will continue through May 30, 1975
- 2) Parent Counselors will spend remainder of time answering requests for Parent Counselors and pursuing parents regarding their child(ren)'s placement for the 1975-76 school year.